

TRIDENT TECHNICAL COLLEGE

Comprehensive Annual Financial Report

Charleston, South Carolina

Fiscal Year Ended June 30, 2017
(with comparative amounts for June 30, 2016)

Member of State Board for Technical and Comprehensive Education





TRIDENT TECHNICAL COLLEGE

TRIDENT TECHNICAL COLLEGE

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

FISCAL YEAR ENDED JUNE 30, 2017
(with comparative amounts for June 30, 2016)

**PREPARED BY
DIVISION OF FINANCE AND ADMINISTRATION**

**A MEMBER OF THE STATE BOARD
FOR
TECHNICAL AND COMPREHENSIVE EDUCATION
AN AGENCY OF THE STATE OF SOUTH CAROLINA**

**TRIDENT TECHNICAL COLLEGE
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2017**

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**TRIDENT TECHNICAL COLLEGE
ORGANIZATIONAL DATA
JUNE 30, 2017**

Area Commission

<u>Name</u>	<u>Office</u>	<u>Expires</u>	<u>County</u>
Yvonne J. Barnes	Vice Chairperson	January 2018	Berkeley
William A. Blanton	Member Chairperson: Building and Grounds Committee	January 2018	Berkeley
Jack Y. Harrison	Member	June 2019	Dorchester
Baird A. Mallory	Member	June 2018	Charleston
Franklin J. Medio	Member Chairperson: Curriculum Committee	January 2019	Berkeley
Robert J. Reid	Member	June 2011*	Charleston
Rutherford P.C. Smith	Chairperson	June 2018	Dorchester
Marion C. Thompson	Member	June 2014*	Dorchester
Anita G. Zucker	Treasurer Chairperson: Finance and Administration Committee Audit Committee	August 2019	Charleston

Counties served by Area Commission and providing financial support: Berkeley County, Charleston County, and Dorchester County.

*Commissioners serve until a successor is appointed by the Governor.

Institutional Officers

Dr. Mary Thornley	President
Dr. Catharine Almquist	Vice President, Academic Affairs
Ms. Marguerite G. Howle	Vice President, Advancement
Dr. Patrice Mitchell	Vice President, Student Services
Mr. Scott Poelker	Vice President, Finance and Administration
Dr. Patricia J. Robertson	Vice President, Information Technology
Mr. Robert Walker	Vice President, Continuing Education and Economic Development



September 30, 2017

To the Members of the Area Commission for Trident Technical College:

We are pleased to convey to you the Comprehensive Annual Financial Report (“CAFR”) of Trident Technical College (the “College”) for the year ended June 30, 2017. The Office of the Vice President for Finance and Administration is responsible for both the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures. To the best of our knowledge and belief, the information presented is accurate in all material respects, and all disclosures necessary for a reasonable understanding of the College's financial activities have been included.

The management of the College is responsible for establishing and maintaining an internal control structure designed to protect the assets of the College, to prevent loss from theft or misuse and ensure adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. To the best of our knowledge, the internal control system achieves these objectives. The concept of reasonable assurance recognizes that:

- The cost of a control should not exceed the benefits likely to be derived; and,
- The valuation of costs and benefits requires estimates and judgments by management.

Elliott Davis Decosimo, independent certified public accountants, audited the financial statements. The Independent Auditors' Report is included in the financial section of this report and reflects an unmodified opinion on the basic financial statements. The College complies with the requirements of the Single Audit Act for which separate reports are issued.

This letter of transmittal should be read in conjunction with the Management’s Discussion and Analysis, which focuses on current activities, accounting changes and currently known facts.

Entity

Trident Technical College (“TTC”) is one of sixteen technical colleges that comprise the State Board for Technical and Comprehensive Education (“SBTCE”), which is an agency of the State of South Carolina. The College is a component unit of the State of South Carolina.

Trident Technical College Foundation (the “Foundation”) is a legally separate, tax-exempt component unit of Trident Technical College. The Foundation acts primarily as a fund-raising organization to supplement the resources that are available to the College in support of its programs. The Foundation’s Board of Directors is self-perpetuating and consists of influential business leaders in the local community. Although the College does not control the timing or the amount of receipts from the Foundation, the majority of resources or income that the Foundation holds and invests is restricted to the activities of the College by the donors. Because these restricted resources held by the Foundation can only be used by, or for the benefit of, the College, the Foundation is considered a component unit of the College and the Foundation’s financial statements are inserted in the College’s Comprehensive Annual Financial Report.

The Trident Technical College Enterprise Campus Authority (the “Authority”) was established in 2006 by the 1976 South Carolina Code of Laws Section 59-53-460. For accounting purposes, the Authority is a blended component unit of Trident Technical College. The legislation establishing the Authority requires that the members of the College’s Area Commission also constitute the Board of the Authority. The Authority’s financial activity is blended in the financial statements of the College.

The College maintains budgetary controls in the form of line-item budgets and budget transfer restrictions. The objective of these budgetary controls is to ensure compliance with the annual budget adopted by the Area Commission. The College maintains an encumbrance accounting system as one technique of accomplishing budgetary control. As demonstrated by the financial statements and schedules included in the financial section of this report, management of the College continues to meet its responsibility for sound financial management.

Economic Condition and Outlook

The College’s regional area economy consists of markets in three counties located in the southeastern, coastal, region of the State of South Carolina. The Charleston Metropolitan Statistical Area (“MSA”) is also strategically located along the nation’s busy mid-Atlantic corridor, roughly half-way between New York and Miami. The three counties that comprise the regional economy—Berkeley, Charleston, and Dorchester—are also the three counties that comprise the College’s local service area. Together, the counties cover over 3,100 square miles of the state and have a combined population of over 760,000 residents.

One of the factors in helping Charleston expand its global reach is its deep-water seaport. Charleston Harbor is already one of the busiest and fastest growing ports in the nation. Thanks to a soon-to-be-completed project to deepen the harbor, Charleston Harbor will soon be the deepest port on the eastern seaboard. The harbor’s expanded depth will allow the new class of Post Panamax ships to call on Charleston Harbor 24 hours a day 7 days a week, without having to wait for high tide.

The deeper harbor is also expected to fuel growth in Charleston’s other star business sector—its visitor and hospitality industry. With Charleston having recently been named as the country’s top travel spot for the sixth consecutive year by Conde Nast Magazine, and with similar other awards having been bestowed upon it by other well-regarded travel publications, Charleston is well known as a world-class travel destination. With a greater number of mega-sized cruise ships now able to visit the harbor’s busy passenger terminal at any time day or night, the number of visitors to the area will increase. As it is now, tourism already brings in a significant amount of revenue to the area. For example, according to Charleston’s Office of Tourism Analysis, average revenue per available hotel room grew 5.8% in 2016. However, growth in this metric is projected to remain flat over the next two years.

The region’s labor market has been another bright spot in the region’s economy. Total employment grew 3.5% in 2016. As a further measure of strength, this growth was broad-based, with all sectors posting gains. According to the latest econometric study published by the Charleston Metro Chamber of Commerce, total employment is projected to increase by more than 10,000 net new jobs in 2017 and another 11,000 in 2018. The gains are expected to result in the unemployment rate falling to just 3.3% by the end of 2018.

While a falling unemployment rate has an inverse effect on the College’s enrollment, the College has seen gains in enrollment in dual enrollment offerings, providing both college and high school credit for high school students. The College has partnered with Berkeley County School District since 2010 with the Berkeley Middle College. Beginning in Fall 2017, the Charleston County School District opened the Early College High School at the College’s Palmer Campus. In addition, recognizing the scheduling challenges for working adults, TTC’s Evening College offers students the ability to complete associate degree and certificate programs at night through full-time or part-time study.

The emergence of Charleston as a global player in the highly competitive world market has transformed the region's economy. Over the last ten years, Charleston's regional economy has shifted from one that was primarily service-based to an economy that is now heavily comprised of STEM ("Science, Technology, Engineering and Math") industries. Charleston's success in this area is evidenced in the number 20 out of 100 ranking bestowed upon it by this year's publication of the Advanced Industries Study by Brookings Advanced Industries. The study classifies advanced industries as those that include automotive and aerospace manufacturing, energy activities, digital services such as computer system design and software, and logistics and transportation.

These factors have combined to attract some of the largest and most successful firms on the global stage to the Charleston area. Thanks to its outstanding business climate and other amenities, firms such as Boeing, Google, Mercedes, Volvo and many others have come to the area and made significant investments in the region's future—bringing with them not only their large-scale plant operations but also, for some, their global headquarters as well.

The College has played a significant role in helping the region achieve this transformation. Over the past decade, the College has placed increasing emphasis on STEM-related courses and job training. The College currently provides training to employees of many high tech firms in the area, including Boeing, Robert Bosch, Honeywell International, Cummins, and others. The College's worker training in the adult and youth apprenticeship programs continues to expand from over 163,000 hours last year to 240,000 hours expected in the future. Currently, over 120 business partners have or are interested in hiring youth apprentices for the 2017-18 academic school year.

The College has also made significant investments in its infrastructure and buildings in support of its STEM-related studies and job training programs. In January 2014, for example, the College opened a new \$30 million state-of-the art Nursing and Science Building in support of its Nursing and Allied Health programs. The College is also currently involved in constructing another large STEM-related building complex. The \$80 million project, known as The South Carolina Aeronautical Training Center, will be located on the College's main campus. The State of South Carolina, the College, and local county and municipal governments are all participating to fund the project. Once completed, the 167,000 square foot facility will support not only the College's growing aeronautical education and training programs, but also the needs of high tech aeronautical manufacturing supply firms that are flocking to the region, largely because of Boeing. The facility's operations will have a significant impact on the economies of both the State and Southeast regions of the U.S. The impact is expected to be on par with the economic boom that resulted when BMW established its large automobile manufacturing operations years ago in Greer, South Carolina.

Thanks to these and other developments on the horizon, the regional economy is projected to continue its long history of year after year record-setting growth. Based on these factors, the outlook for the College and the communities it serves appears bright.

Major Initiatives and Planning Goals

The College's mission is to serve as a catalyst for personal, community, and economic development by empowering individuals through education and training. The vision of the College is to "Educate the Individual. Accelerate the Economy. Inspire the Future." The College's 2016-2021 goals and strategic initiatives are as follows:

Goal 1 – Increase Headcount Enrollment

- 1.1 Increase applications
- 1.2 Increase yield on applied to enrolled applicants
- 1.3 Increase external partnerships
- 1.4 Increase flexibility in paying tuition
- 1.5 Increase number of Life Scholarship students
- 1.6 Increase the number of students moving from Continuing Education to credit through articulation pathways
- 1.7 Increase online and hybrid course offerings
- 1.8 Market certificate programs to employers

Goal 2 – Improve Student Achievement

- 2.1 Increase student success
- 2.2 Increase fall to spring retention for all students
- 2.3 Increase fall to fall retention for first time freshmen
- 2.4 Decrease success rate gaps and increase retention of minority students
- 2.5 Investigate how to move the curriculum toward more stackable credentials
- 2.6 Improve academic technology
- 2.7 Ensure every faculty member is using D2L (Desire 2 Learn)

Goal 3 – Improve Customer Service

- 3.1 Identify college standards for customer service
- 3.2 Ensure easy access to college information and appropriate training
- 3.3 Improve Help Desk functions

Goal 4 – Improve Fiscal Stability

- 4.1 Increase alternative revenue sources
- 4.2 Increase revenues and reduce expenses associated with facilities rentals to realize a positive net revenue by June 30, 2019
- 4.3 Increase State funding for operations
- 4.4 Increase County funding
- 4.5 Maintain Continuing Education net revenue between 2% and 5% each year
- 4.6 Increase revenue from credit course offerings
- 4.7 Increase educational partnerships with businesses that offer education benefits to employees
- 4.8 Develop short-term professional development opportunities in Continuing Education for white collar workers
- 4.9 Expand apprenticeship programs in Continuing Education

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (“GFOA”) awarded a Certificate of Achievement for Excellence in Financial Reporting to Trident Technical College for its CAFR for the fiscal year ended June 30, 2016. In order to be awarded a Certificate of Achievement, a government entity must publish an easily readable and efficiently organized CAFR whose contents conform to rigorous program standards.

Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year. Trident Technical College has received a Certificate of Achievement for the last 24 consecutive years.

Again, this year, the College will submit its CAFR for the Certificate of Achievement for Excellence in Financial Reporting program of the GFOA. We firmly believe that the College’s report for the fiscal year ended June 30, 2017 meets the requirements to receive the Certificate of Achievement.

Acknowledgements

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire staff. We would like to express appreciation to all the employees who assisted in the timely closing of the College's financial records and the preparation of this report. In addition, we would like to express our appreciation to the other departments and individuals who assisted in the preparation of this report.

Sincerely,



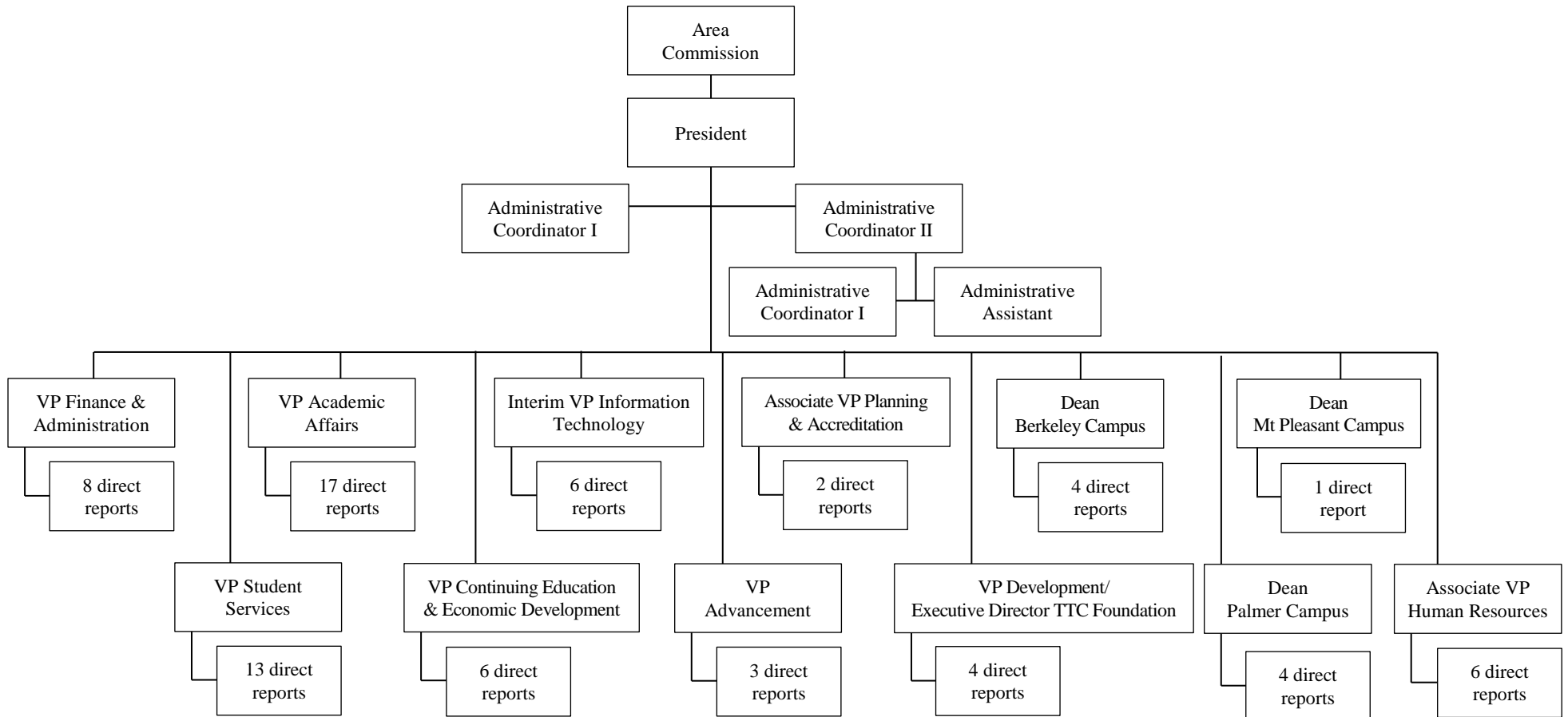
Mary Thornley, Ed.D.
President



Scott Poelker
Vice President for Finance and Administration



**Organization Chart
September 1, 2017**





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Trident Technical College
South Carolina**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016

A handwritten signature in black ink, reading "Jeffrey R. Enser". The signature is written in a cursive, flowing style.

Executive Director/CEO

FINANCIAL SECTION



Independent Auditor's Report

Members of the Area Commission
Trident Technical College
Charleston, South Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and the discretely presented component unit of Trident Technical College (the "College"), a component unit of the State of South Carolina, as of and for the years ended June 30, 2017 and 2016, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We also performed the audits of the financial statements of Trident Technical College Foundation, Inc., the only discretely presented component unit of Trident Technical College as of and for the year ended June 30, 2017 and 2016. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of Trident Technical College Foundation were not audited in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States.

Auditor's Responsibility, Continued

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of the College as of June 30, 2017 and 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, as shown on pages 19 through 26, and the Schedule of the College's Proportionate Share of the Net Pension Liability and the Schedule of the College's Contributions, as shown on pages 60 through 61, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the College's basic financial statements. The Supplemental Schedules 1 to 8 as listed in the accompanying table of contents, and the other information such as the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Supplemental Schedules 1 to 8 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit and the procedures performed as described above, the Supplemental Schedules 1 to 8 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Introductory Section and Statistical Section have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 29, 2017, on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.



Charleston, South Carolina
September 29, 2017

Elliott Davis Decosimo | www.elliottdavis.com

**TRIDENT TECHNICAL COLLEGE
MANAGEMENT'S DISCUSSION AND
ANALYSIS
JUNE 30, 2017**

Trident Technical College (the "College") is pleased to present its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2017. This section of the report is a narrative overview and analysis of the financial activities of the College. This discussion should be read in conjunction with the College's basic financial statements, the component unit's financial statements, and the notes thereto.

Overview of the Financial Statements

The College is engaged only in Business-Type Activities that are financed in part by fees charged to students for educational services. Accordingly, its activities are reported using the three financial statements required for proprietary funds, which present financial information in a format similar to that used by the private sector:

- Statement of Net Position
- Statement of Revenues, Expenses and Changes in Net Position
- Statement of Cash Flows

The financial statements of the College and its blended component unit are presented in accordance with Governmental Accounting Standards. The financial statement presentation required by governmental accounting standards provides a comprehensive, entity-wide perspective of the College's assets, deferred outflows, liabilities, deferred inflows, net position, revenues, expenses, changes in net position, and cash flows.

In accordance with governmental accounting standards, the College has included the Trident Technical College Foundation (the "Foundation") and the Trident Technical College Enterprise Campus Authority (the "Authority") in its financial statements. The College reports the Foundation as a discretely

presented non-governmental component unit, and its Statements of Financial Position, Statements of Activities, and Statements of Cash Flows are presented along with the College's basic financial statements. The Authority is a blended component unit whose governing board is the same as that of the College. The Authority's financial activities are blended in the financial statements of the College.

Statement of Net Position

The Statements of Net Position present the financial position at the end of the fiscal year and includes all assets, liabilities, deferred inflows and deferred outflows of the College. The Statement of Net Position is a "point in time" financial statement, which presents to the reader a fiscal snapshot of Trident Technical College. Assets are property owned by the College. Liabilities are what the College owes to others. Assets and liabilities are classified as either current or noncurrent. Current assets are generally expected to be converted into cash, sold or consumed within a year. Current liabilities are obligations that are due or to be paid within the year. Noncurrent assets and liabilities are those that are longer term in nature. Capital assets are reported at historical cost less an allowance for depreciation. Deferred outflows of resources represents a consumption of net position that applies to a future reporting period(s) and so will not be recognized as outflows of resources (expense) until then. Deferred inflows of resources represent the acquisition of net position that applies to a future reporting period(s) and so will not be recognized as inflows of resources (revenue) until that time.

Net position represents the difference between total assets and deferred outflows and total liabilities and deferred inflows. Net position is one indicator of the current financial condition of the College, while the change in net position indicates whether the overall financial condition has improved or deteriorated during the year.

Trident Technical College
Comprehensive Annual Financial Report

Net position is displayed in three broad categories:

- Net investment in capital assets represents the investment in property, plant and equipment less any related debt used to acquire those assets.
- Restricted expendable net position is available for expenditure, but must be spent for specific purposes.
- Unrestricted net position is available for any lawful purpose of the entity.

The following schedule is a condensed presentation of the College's assets, deferred outflows, liabilities, deferred inflows and net position and is prepared from the Statements of Net Position as of June 30, 2017 as compared to June 30, 2016.

Condensed Summary of the Statements of Net Position As of June 30, (in millions)				
	2017	2016	Increase (Decrease)	Percent Change
Current assets	\$ 65.7	\$ 57.7	\$ 8.0	13.9%
Non-current assets				
Capital assets, net of depreciation	100.3	100.9	(0.6)	-0.6%
Deferred outflow of resources	15.3	7.4	7.9	106.8%
Total assets & deferred outflows	181.3	166.0	15.3	9.2%
Current liabilities	9.8	10.1	(0.3)	-3.0%
Non-current liabilities	104.9	101.6	3.3	3.2%
Deferred inflow of resources	4.5	0.3	4.2	1400.0%
Total liabilities & deferred inflows	119.2	112.0	7.2	6.4%
Net position				
Invested in capital assets	93.3	92.7	0.6	0.6%
Restricted for expendable:				
Capital projects	22.8	17.6	5.2	29.5%
Unrestricted	(54.1)	(56.4)	2.3	4.1%
Enterprise Campus Authority	0.1	0.1	0.0	0.0%
Total net position	\$ 62.1	\$ 54.0	\$ 8.1	15.0%

Assets & deferred outflows- increase of \$15.3 million

Current assets increased by \$8.0 million or 13.9% primarily due to increases in cash of \$3.2 million and accounts receivable of \$5.0 million, offset by a decrease in other assets of \$0.4 million as shown on the Statement of Net Position. Accounts receivable increases are related primarily to federal and state grants receivable, as well as state capital reserve receivable. Noncurrent assets decreased \$0.6 million or 0.6% as discussed below under Capital Asset Activity. Deferred outflows of

resources consists of the College's \$6.0 million contributions during fiscal year 2017 to the South Carolina Retirement System ("SCRS") and the Police Officers' Retirement System ("PORS"), plus the \$9.3 million proportionate share of the total deferred outflows of the SCRS and PORS plans combined and reported by the South Carolina Public Employee Benefit Authority ("PEBA"). Contributions to SCRS and PORS this fiscal year will reduce the amount reported as net pension liability next fiscal year.

Liabilities & deferred inflows-increase of \$7.2 million

Current liabilities decreased by \$0.3 million, due primarily to increases in trade accounts payable of \$0.8 million, offset by an increase of \$1.1 million of unearned revenue as shown on the Statement of Net Position. Non-current liabilities increased by \$3.3 million due primarily to an increase of \$5.0 million in the net pension liability, offset by the \$1.2 million decrease in long term notes payable due to scheduled principal payments, as well as the \$0.5 million decrease in compensated absences. The College's proportionate share of the SCRS and PORS net pension liabilities was \$95.9 million. Deferred inflows of resources consist of the College's proportionate share of the amounts reported by PEBA of \$4.5 million. Additional information about the net pension liability and deferred inflows of resources is disclosed in *Note 6* in the Notes to the Financial Statements.

Net position-net change of \$8.1 million

- Net investment in capital assets - increased by \$0.6 million. This resulted from a decrease in net capital assets of \$0.6 million, as discussed below in Capital Asset Activity; offset by the decrease of the related notes payable of \$1.2 million.

- Capital Projects - Restricted for expendable - increased by \$5.2 million. Local government appropriations for the Nursing and Science building project, TTC Foundation funds, state appropriations and capital fees in excess of debt service requirements contributed \$9.6 million during the year. Project expenditures and transfers totaled \$4.4 million. Additional information regarding the use of these funds is found in the Schedule of Capital Project Balances located in the Other Supplementary Information section.
- Unrestricted net position - increased by \$2.3 million. Educational and general net position increased \$3.5 million, from \$27.4 to \$30.9 million. Revenues including tuition and fees and auxiliary revenues of \$89.4 million were greater than expenses of \$85.9 million. Additional information is found in the Schedule of Changes in Unrestricted Current Fund located in the Other Supplementary Information section. Pension expense related to Governmental Accounting Standards Board ("GASB") Statement No. 68 decreased unrestricted net position by \$1.2 million as discussed in *Note 6*.
- Enterprise Campus Authority - no activity for fiscal years 2017 or 2016.

Capital Asset Activity

The following schedule is an analysis of capital assets as of June 30, 2017 and 2016. Additional information is disclosed in *Note 5*, in the Notes to the Financial Statements.

Analysis of Capital Assets As of June 30 (in millions)				
	2017	2016	Change	Percent Change
Land and improvements	\$ 7.9	\$ 7.1	\$ 0.8	11.3%
Construction in progress	6.2	2.7	3.5	129.6%
Buildings and improvements	152.9	152.1	0.8	0.5%
Machinery, equipment, vehicles, and other	32.4	31.3	1.1	3.5%
Total capital assets	199.4	193.2	6.2	3.2%
Less accumulated depreciation	(99.1)	(92.3)	(6.8)	7.4%
Capital Assets	\$ 100.3	\$ 100.9	\$ (0.6)	-0.6%

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Capital assets decreased by \$(0.6) million or 0.6%. The change from the prior year is explained by depreciation expense of \$6.8 million, offset by additions totaling \$6.2 million. The majority of capital additions are due to a net increase of \$3.5 million in construction in progress related to the construction and site work for the SC Aeronautical Training Center ("SCATC"). Equipment purchases of \$1.1 million were funded primarily through restricted grants.

Debt Administration

Notes payable were \$6.9 million as of June 30, 2017. The College's indebtedness consists of a bank note payable originated in July 2012 to finance construction. All credit students were assessed capital fees of \$14.88 per enrolled hour that financed debt service requirements. Additional information on long-term debt activity is disclosed in the Notes to the Financial Statements, *Note 9 and Note 11*.

Statement of Revenues, Expenses and Changes in Net Position

The Statements of Revenues, Expenses and Changes in Net Position present an entity-wide perspective on the revenues and expenses, which are categorized by operating and nonoperating and are reported by natural classification. A public institution's reliance on state and local appropriations results in operating losses because governmental accounting standards require classification of appropriations as nonoperating revenues. Nonoperating revenues are funds received for which goods and services are not provided. In addition, Pell grant funds received on behalf of students are also classified as nonoperating revenues. Operating expenses are those expenses paid to acquire or produce the goods and services provided in return for the operating revenues and to carry out the mission of the College. A significant portion of operating expenses are attributable to salaries and benefits for the faculty and staff of the College.

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The following schedule is a summary presentation of the College's results of operations prepared from the Statements of Revenues, Expenses and Changes in Net Position as of June 30, 2017 and 2016.

Condensed Summary of the Statements of Revenues, Expenses and Changes in Net Position As of June 30 (in millions)				
	2017	2016	Increase (Decrease)	Percent Change
Operating revenue				
Tuition and fees	\$ 38.2	\$ 42.3	\$ (4.1)	-9.7%
Grants and contracts	14.7	16.5	(1.8)	-10.9%
Auxiliary	6.0	6.9	(0.9)	-13.0%
Other	0.1	0.3	(0.2)	-66.7%
Total operating revenues	59.0	66.0	(7.0)	-10.6%
Less operating expenses	(115.2)	(129.7)	(14.5)	-11.2%
Operating loss	(56.2)	(63.7)	(7.5)	-11.8%
Nonoperating revenue (expense)				
State appropriations	20.7	17.5	3.2	18.3%
County appropriations	11.7	10.7	1.0	9.3%
Federal, state grants and other	26.6	32.6	(6.0)	-18.4%
Interest expense	(0.1)	(0.1)	-	0.0%
Total nonoperating revenue (expense)	58.9	60.7	(1.8)	-3.0%
Income (loss) before other revenues	2.7	(3.0)	5.7	190.0%
Capital gifts and contracts	0.4	0.4	-	0.0%
County capital appropriations	1.3	1.2	0.1	8.3%
State capital appropriations	3.4	1.4	2.0	142.9%
Federal capital grant	0.3	-	0.3	100.0%
Total capital gifts and appropriations	5.4	3.0	2.4	80.0%
Increase in net position	8.1	0.0	8.1	100.0%
Net position, beginning of year	54.0	54.0	-	0.0%
Net position, end of year	\$ 62.1	\$ 54.0	\$ 8.1	15.0%
Total revenues	\$ 123.4	\$ 129.8	\$ (6.4)	-4.9%
Total expenses	115.3	129.8	(14.5)	-11.2%
Increase in net position	\$ 8.1	\$ -	\$ 8.1	100.0%

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Total Revenues-decrease of \$6.4 million

Total revenue decreased \$6.4 million this fiscal year due to a declining enrollment resulting in a decrease in tuition and fees and auxiliary revenues. State appropriations increased \$3.2 million including an increase in the operational base allocation of \$1.3 million, plus an additional \$1.6 million designated for critical program equipment for the SCATC and \$0.3 million for the repair and replacement of information technology equipment. Federal and state grants and other nonoperating revenues decreased \$6.0 million. Federal awards for

Pell and SEOG declined by \$6.8 million due to a combination of factors including the decline in enrollment, satisfactory progress compliance, and increased verification chosen by the Department of Education. Capital appropriations, grants and gifts increased \$2.4 million overall. The SCATC site work and design for the building began in fiscal year 2016 and continued through 2017. State capital contributions represent reimbursements from capital reserve funds for the SCATC. The U.S Department of Commerce awarded a \$2 million grant to the College to support construction of the SCATC.

Total Expenses-decrease of \$14.5 million

Total expenses decreased by \$14.5 million. The College made budget adjustments in all divisions due to the declining enrollment. As shown in the table below, salaries and benefits decreased by a net \$3.1 million, primarily as a result of the voluntary retirement incentive plan. Services and supplies decreased by \$2.5 million. Enrollment reductions impacted purchases for resale, \$1.2 million less than 2016, and financial aid and fee remissions, \$6.3 million less than 2016. Equipment and permanent improvements expenses saw a slight decrease of \$1.1 million. Depreciation expense was slightly lower, \$0.3 million, than last year.

	2017	2016	Increase (Decrease)	Percent Change
Operating Expenses:				
Salaries	\$ 48.2	\$ 50.8	\$ (2.6)	-5.1%
Benefits	17.4	17.9	(0.5)	-2.8%
Utilities	3.3	3.6	(0.3)	-8.3%
Scholarships and fee remissions	17.1	23.4	(6.3)	-26.9%
Contracted services	10.1	12.1	(2.0)	-16.5%
Supplies and materials	3.8	4.0	(0.2)	-5.0%
Services-fixed charges	0.9	0.9	-	0.0%
Travel	0.5	0.5	-	0.0%
Equipment and permanent improvements	1.1	2.2	(1.1)	-50.0%
Purchases for resale	6.0	7.2	(1.2)	-16.7%
Depreciation	6.8	7.1	(0.3)	-4.2%
Total operating expenses	<u>\$ 115.2</u>	<u>\$ 129.7</u>	<u>\$ (14.5)</u>	<u>-11.2%</u>

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Statement of Cash Flows

The Statements of Cash Flows present detailed information about the cash activity of the College during the year and aids readers in identifying the sources and uses of cash by the four major categories of operating, noncapital financing, capital and related financing, and investing activities. This statement will show a net use of cash in the operating activities because of the College's dependence on state and local appropriations. The following schedule is a summary presentation of the College's cash flows, which is prepared from the Statements of Cash Flows as of June 30, 2017 and 2016.

Condensed Summary of the Statements of Cash Flows			
As of June 30			
(in millions)			
	2017	2016	Change
Net cash used by operating activities	\$ (52.0)	\$ (49.8)	\$ (2.2)
Net cash provided by noncapital financing activities	59.3	61.1	(1.8)
Net cash used by capital and related financing activities	(4.1)	(1.3)	(2.8)
Net cash provided by (used) investing activities	-	(1.0)	1.0
Net increase (decrease) in cash	3.2	9.0	(5.8)
Cash-beginning of year	44.0	35.0	9.0
Cash-end of year	\$ 47.2	\$ 44.0	\$ 3.2

Cash increased by \$3.2 million from the prior year. More cash was used in operating activities due to a reduction in receipts from state grants. Net cash provided by noncapital financing activities decreased \$1.8 million also due primarily to restricted grants and contracts. Noncapital financing activity also included a slight increase in state funding. Capital and the related financing activities used \$2.8 million more cash, primarily due to site work on the SCATC.

Economic Factors

As indicated above, the College receives appropriations for operations beyond the revenue it earns from tuition, auxiliary business enterprises, and academic departmental sales. The operational funding it receives from the State flows through the State Board for Technical and Comprehensive Education. This funding is designated by the State for use in supporting a portion of the College's permanent-full-time employee salaries and benefit costs. Operational funding the College receives from the three local counties it serves—Berkeley, Charleston and Dorchester—is generated by local property taxes. County governments annually set the millage tax rates that are to be assessed as well as the dollar amount of the appropriation that will be generated from millage revenues. Much like the operational funding from the

State, funding from this source is also designated toward a particular use – the operation and maintenance of facilities.

Between the years 2005 and 2013, headcount enrollment at the College grew 53%. While in the years since 2013, headcount enrollment has fallen 22%. During the period of expansion, as well as currently, the College's enrollment remains larger than enrollments at any other college in the State's 16-member Technical College System. In order to handle the explosive growth between 2005 and 2013, and to fulfill its mission and meet application acceptance requirements under State law, the College had no other choice but to expand and add new facility space.

While expenses generated by the College's expanded facilities grew, funding from sources originally established to pay for their maintenance and operation did not. Much like appropriations from the State, growth of revenues the College receives from local county appropriations has also leveled off—to the point where annual costs now well-exceed the amounts of revenue the counties annually appropriate to fund them. Due to political and other constraints, growth of any significance in this revenue source is not expected in the foreseeable future.

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While the College's remaining other primary revenue sources, Tuition and Fee Revenue and Auxiliary Revenue (primarily bookstore operations), grew at rapid rates during its period of rapid enrollment expansion, revenue growth was nevertheless restrained by policies established to moderate the cost of tuition at the State's technical colleges. With some exceptions, tuition rate increases at the State's technical colleges have, on average, been limited to the annual increase in the Higher Education Price Index (HEPI).

Because of the limitations placed on growth from all the College's other main sources of income, operating revenues have become heavily dependent on enrollment. Because sales of the College's Auxiliary Operations are equally enrollment-dependent, growth in this revenue source is impacted as well.

Despite these constraints, operating revenues have managed to stay well above operating expenses for at least the last ten years—with the exception of fiscal years 2014-2015 and 2008-2009. While enrollment growth played a large role in helping the College achieve these results, management's tight controls on discretionary spending played an equally large part. In the current fiscal year, management was successful in controlling spending.

Trend data indicate that the number of students who annually enroll in community colleges has dropped by 19% since 2011. The shrinking of the pool of eligible students caused by this phenomenon has impacted enrollments at colleges and universities nationwide.

Enrollment trends at the College have been further impacted by recent changes in the local economy. As the national economy began to recover from the global recession, the nation's unemployment rate naturally began to drop. However, because of the robust nature of Charleston's regional area economy, unemployment dropped at a much faster pace

than other regions around the State and the nation. The unemployment rate of the Charleston Region, for example, dropped to 3.9% by December 2016. As more people become employed, the pool of untrained workers the College pulls from for enrollment began to shrink. With the recovery in full swing, economists expect future changes in the unemployment rate will be less dramatic as rates continue their march toward their, economically speaking, full-employment levels.

A recent study published by the Charleston's Charleston Metro Chamber of Commerce's Center for Business Research, in conjunction with the College of Charleston's School of Business and Economics, forecasts there will be over 30,000 new jobs created in the region in the next five years. Unlike the trained workers that returned to jobs lost during the recession, most of the workers that fill these new jobs will require additional education and training in order to perform as needed. As it was with Boeing, Volvo and other large employers who moved or are moving to the area, industries that bring or create these new jobs will depend on Trident Technical College to provide the kind of specialized training and certifications their workforces need in the new economy.

Given the rapid pace of growth that continues to be forecast for the region, enrollments will no doubt reverse their current downward trend and revenues will once again return to their normal patterns of increase. As such, there is every expectation for the College's financial outlook to improve in the years that lie ahead.

Requests for Information

Please direct any requests for additional information or questions concerning any of the information provided to the College's Finance Director at Trident Technical College, P.O. Box 118067, Charleston, South Carolina 29423-8067, or by email at melody.taylor@tridenttech.edu.

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Statement of Net Position
June 30, 2017
(with comparative amounts for June 30, 2016)

	<u>June 30, 2017</u>	<u>June 30, 2016</u>
ASSETS		
Current Assets		
Cash and cash equivalents (<i>Note 2</i>)	\$ 47,242,789	\$ 44,002,856
Short term investments (<i>Note 2</i>)	4,972,439	4,986,846
Accounts receivable (net of allowance of \$2,530,000 and \$3,900,000 for 2017 and 2016, respectively) (<i>Note 3</i>)	11,836,721	6,757,703
Inventory	1,158,643	1,080,676
Other assets	451,145	868,348
Total current assets	<u>65,661,737</u>	<u>57,696,429</u>
Noncurrent Assets		
Nondepreciable capital assets (<i>Note 5</i>)	14,099,880	9,857,359
Capital assets, net of accumulated depreciation (<i>Note 5</i>)	<u>86,213,930</u>	<u>91,048,258</u>
Total noncurrent assets	<u>100,313,810</u>	<u>100,905,617</u>
Total assets	<u>165,975,547</u>	<u>158,602,046</u>
DEFERRED OUTFLOWS OF RESOURCES (<i>Note 6</i>)	15,365,854	7,375,305
Total assets and deferred outflows of resources	<u>\$ 181,341,401</u>	<u>\$ 165,977,351</u>
LIABILITIES		
Current Liabilities		
Accounts payable and accrued expenses (<i>Note 4</i>)	3,103,245	2,277,130
Long-term liabilities-current portion (<i>Note 9</i>)	1,625,419	1,706,309
Unearned revenue	4,780,854	5,842,737
Deposits held for others	216,359	189,608
Other liabilities	73,200	68,915
Total current liabilities	<u>9,799,077</u>	<u>10,084,699</u>
Noncurrent Liabilities		
Net pension liability (<i>Note 6</i>)	95,878,471	90,875,915
Note payable (<i>Note 11</i>)	5,735,098	6,944,301
Compensated absences payable	3,305,575	3,807,195
Total noncurrent liabilities	<u>104,919,144</u>	<u>101,627,411</u>
Total liabilities	<u>114,718,221</u>	<u>111,712,110</u>
DEFERRED INFLOWS OF RESOURCES (<i>Note 6</i>)	4,526,451	308,861
Total liabilities and deferred inflows of resources	<u>\$ 119,244,672</u>	<u>\$ 112,020,971</u>
NET POSITION		
Net investment in capital assets	93,314,713	92,698,283
Restricted for expendable:		
Capital projects	22,837,927	17,641,976
Unrestricted:		
College	(54,072,059)	(56,400,027)
Enterprise Campus Authority	<u>16,148</u>	<u>16,148</u>
Total net position	<u>\$ 62,096,729</u>	<u>\$ 53,956,380</u>

SEE NOTES TO FINANCIAL STATEMENTS.

Trident Technical College
Comprehensive Annual Financial Report

Statement of Revenues, Expenses, and Changes in Net Position
For the year ended June 30, 2017
(with comparative amounts for the year ended June 30, 2016)

	<u>For the year ended June 30, 2017</u>	<u>For the year ended June 30, 2016</u>
OPERATING		
Operating Revenues:		
Student tuition and fees (net of scholarship allowances of \$17,829,962 and 19,471,154 for 2017 and 2016, respectively)	\$ 38,210,063	\$ 42,335,933
Federal grants and contracts	536,979	585,657
State grants and contracts	13,344,209	15,058,799
Nongovernmental grants and contracts	819,202	894,902
Sales and services of educational departments	102,842	101,311
Auxiliary enterprises (net of scholarship allowances of \$1,989,462 and \$2,755,681 for 2017 and 2016, respectively)	5,905,819	6,853,899
Other operating revenues	120,022	230,587
Total operating revenues	<u>59,039,136</u>	<u>66,061,088</u>
Operating Expenses:		
Salaries	48,213,663	50,817,173
Benefits	17,411,924	17,922,729
Utilities	3,257,853	3,590,880
Scholarships and fee remissions	17,138,048	23,425,077
Contracted services	10,094,076	12,107,720
Supplies and materials	3,789,145	3,999,658
Services-fixed charges	879,840	928,993
Travel	552,473	484,499
Equipment and permanent improvements	1,128,661	2,221,679
Purchases for resale	6,040,632	7,140,638
Depreciation	6,771,245	7,096,348
Total operating expenses	<u>115,277,560</u>	<u>129,735,394</u>
Operating loss	<u>(56,238,424)</u>	<u>(63,674,306)</u>
NONOPERATING REVENUES (EXPENSES)		
State appropriations	20,743,202	17,509,823
County appropriations	11,746,458	10,736,693
Investment income	17,727	9,411
Interest expense on capital asset-related debt	(140,346)	(162,862)
Federal grants and contracts	24,854,026	31,857,707
State grants and contracts	1,240,565	218,356
Other nonoperating revenues	537,644	566,490
Net nonoperating revenues	<u>58,999,276</u>	<u>60,735,618</u>
Income (Loss) before other revenues, expenses, gains or losses	2,760,852	(2,938,688)
Capital gifts and contracts	400,000	400,000
County capital appropriations	1,296,252	1,151,054
State capital appropriations and capital reserve	3,353,524	1,394,069
Federal capital grant	329,721	-
Total capital gifts and appropriations	<u>5,379,497</u>	<u>2,945,123</u>
Increase in net position	<u>8,140,349</u>	<u>6,435</u>
Net position-beginning of year	53,956,380	53,949,945
Net position-end of year	<u>\$ 62,096,729</u>	<u>\$ 53,956,380</u>

SEE NOTES TO FINANCIAL STATEMENTS.

Trident Technical College
Comprehensive Annual Financial Report

Statement of Cash Flows
For the year ended June 30, 2017
(with comparative amounts for the year ended June 30, 2016)

	For the year ended June 30, 2017	For the year ended June 30, 2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Tuition and fees	\$ 37,197,345	\$ 42,782,119
Grants and contracts	12,191,686	21,960,934
Sales and services of educational departments	102,842	101,311
Auxiliary enterprise charges	5,847,484	6,777,533
Other receipts	14,632	426,461
Payments to vendors	(57,658,044)	(71,043,027)
Payments to employees	(48,814,892)	(50,776,024)
Federally subsidized loans for students	24,823,815	37,036,298
Loans issued to students	(25,657,279)	(37,026,599)
Net cash flows used by operating activities	<u>(51,952,411)</u>	<u>(49,760,994)</u>
 CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State appropriations	20,536,323	17,509,823
County appropriations	11,744,703	10,768,201
Grants and contracts and other	27,059,389	32,877,833
Net cash flows provided by noncapital financing activities	<u>59,340,415</u>	<u>61,155,857</u>
 CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchases of capital assets	(6,201,240)	(3,355,494)
Proceeds from issuance of capital debt	-	-
Principal paid on capital debt	(1,186,434)	(1,164,094)
Interest paid on capital debt	(149,659)	(171,999)
Capital grants and gifts received	400,000	400,000
Capital appropriations	2,971,555	2,959,444
Proceeds from sale of capital assets	-	-
Net cash flows used by capital and related financing activities	<u>(4,165,778)</u>	<u>(1,332,143)</u>
 CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	8,000,000	8,990,837
Interest on investments	16,279	9,175
Purchase of investments	(7,998,572)	(9,981,306)
Net cash flows provided/used by investing activities	<u>17,707</u>	<u>(981,294)</u>
 Net increase in cash and cash equivalents	3,239,933	9,081,426
Cash and cash equivalents at beginning of year	44,002,856	34,921,430
Cash and cash equivalents at end of year	<u>\$ 47,242,789</u>	<u>\$ 44,002,856</u>

-CONTINUED-

SEE NOTES TO FINANCIAL STATEMENTS.

Trident Technical College
Comprehensive Annual Financial Report

Statement of Cash Flows
For the year ended June 30, 2017
(with comparative amounts for the year ended June 30, 2016)

-CONTINUED-

	For the year ended June 30, 2017	For the year ended June 30, 2016
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES		
Operating loss	\$ (56,238,424)	\$ (63,674,306)
Adjustments to reconcile operating loss to net cash used by operating activities:		
Depreciation expense	6,771,245	7,096,348
Pension expense	1,233,837	1,829,714
Changes in assets and liabilities		
Receivables, net	(3,322,715)	5,140,675
Inventory	(77,967)	262,537
Other assets	417,203	(428,962)
Accounts payable	857,275	(696,259)
Compensated absences	(605,279)	43,135
Unearned revenue	(1,014,337)	674,221
Other liabilities and deposits held for others	26,751	(8,097)
Net cash flows used by operating activities	<u>\$ (51,952,411)</u>	<u>\$ (49,760,994)</u>
NON-CASH TRANSACTIONS		
Donated goods and services	\$ 182,562	\$ -

SEE NOTES TO FINANCIAL STATEMENTS.

Trident Technical College
Comprehensive Annual Financial Report

Non-Governmental Component Unit Statement of Financial Position
Trident Technical College Foundation
June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Assets		
Cash and cash equivalents	\$ 652,507	\$ 670,806
Unconditional promises to give, net	5,234,387	1,841,977
Prepaid expenses	33,380	14,897
Investments	7,693,554	6,875,606
Cash value of life insurance	12,144	12,093
Total assets	<u>\$ 13,625,972</u>	<u>\$ 9,415,379</u>
Liabilities And Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 77,808	\$ 254,913
Deferred revenue	-	45,000
Total liabilities	<u>77,808</u>	<u>299,913</u>
Net assets		
Unrestricted	3,536,468	3,071,554
Temporarily restricted	7,725,367	3,931,510
Permanently restricted	<u>2,286,329</u>	<u>2,112,402</u>
Total net assets	<u>13,548,164</u>	<u>9,115,466</u>
Total liabilities and net assets	<u>\$ 13,625,972</u>	<u>\$ 9,415,379</u>

SEE NOTES TO FINANCIAL STATEMENTS.

Trident Technical College
Comprehensive Annual Financial Report

Non-Governmental Component Unit Statement of Activities
Trident Technical College Foundation
For the years ended June 30, 2017 and 2016

	2017 Unrestricted	2017 Temporarily Restricted	2017 Permanently Restricted	2017 Total	2016 Unrestricted	2016 Temporarily Restricted	2016 Permanently Restricted	2016 Total
Revenue, gains and other support								
Contributions, net	\$ 138,077	\$ 4,713,012	\$ 127,349	\$ 4,978,438	\$ 159,406	\$ 1,066,583	\$ 41,506	\$ 1,267,495
Grants	-	94,873	-	94,873	-	131,400	-	131,400
Interest and dividends, net	74,839	62,456	-	137,295	99,359	89,256	-	188,615
Net unrealized and realized gains (losses) on investments	349,531	335,322	-	684,853	(214,855)	(192,162)	-	(407,017)
Special events, net of \$155,815 and \$148,955 for direct benefits to donors in 2017 and 2016, respectively	442,504	-	-	442,504	473,799	-	-	473,799
Subtotal	1,004,951	5,205,663	127,349	6,337,963	517,709	1,095,077	41,506	1,654,292
Net assets released from program restrictions:								
Transfer of funds	(147,349)	100,771	46,578	-	(284,505)	187,184	97,321	-
Changes in donor deficiencies for underwater endowments	19,094	(19,094)	-	-	(19,094)	19,094	-	-
Program restrictions satisfied	1,493,483	(1,493,483)	-	-	1,521,662	(1,521,662)	-	-
Total revenue, gains and other support	2,370,179	3,793,857	173,927	6,337,963	1,735,772	(220,307)	138,827	1,654,292
Expenses								
Program	1,691,068	-	-	1,691,068	1,622,122	-	-	1,622,122
Management and general	166,022	-	-	166,022	136,251	-	-	136,251
Fundraising	48,175	-	-	48,175	40,084	-	-	40,084
Total expenses	1,905,265	-	-	1,905,265	1,798,457	-	-	1,798,457
Change in net assets	464,914	3,793,857	173,927	4,432,698	(62,685)	(220,307)	138,827	(144,165)
Net assets, beginning of year	3,071,554	3,931,510	2,112,402	9,115,466	3,134,239	4,151,817	1,973,575	9,259,631
Net assets, end of year	\$ 3,536,468	\$ 7,725,367	\$ 2,286,329	\$ 13,548,164	\$ 3,071,554	\$ 3,931,510	\$ 2,112,402	\$ 9,115,466

SEE NOTES TO FINANCIAL STATEMENTS.

Non-Governmental Component Unit Statement of Cash Flows
Trident Technical College Foundation
June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
<i>Operating activities</i>		
Change in net assets	\$ 4,432,698	\$ (144,165)
Adjustments to reconcile change in net assets to net cash (used for) provided by operating activities:		
Net unrealized and realized (gains) losses on investments	(684,853)	407,017
Reinvestment of interest and dividends, net	(137,295)	(188,615)
Change in discount – unconditional promises to give	1,250,677	(27,585)
Bad debt	500	18,333
Cash contributions permanently restricted for endowments	(154,289)	(97,788)
Changes in accrued and deferred amounts:		
Unconditional promises to give	(4,643,587)	141,737
Prepaid expenses	(18,483)	(2,851)
Cash value of life insurance	(51)	-
Accounts payable and accrued expenses	(177,105)	22,759
Deferred revenue	(45,000)	(20,000)
Net cash (used for) provided by operating activities	<u>(176,788)</u>	<u>108,842</u>
<i>Investing activities</i>		
Proceeds from sale of investments	4,200	-
Purchases of investments	-	(151,413)
Net cash provided by (used for) investing activities	<u>4,200</u>	<u>(151,413)</u>
<i>Financing activities</i>		
Cash contributions permanently restricted for endowments	154,289	97,788
Payments of annuity obligations	-	(10,030)
Net cash provided by financing activities	<u>154,289</u>	<u>87,758</u>
Net (decrease) increase in cash and cash equivalents	(18,299)	45,187
Cash and cash equivalents, beginning of year	<u>670,806</u>	<u>625,619</u>
Cash and cash equivalents, end of year	<u>\$ 652,507</u>	<u>\$ 670,806</u>

SEE NOTES TO FINANCIAL STATEMENTS.

NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Trident Technical College (the “College”), a member institution of the South Carolina Technical College System, provides a range of educational programs to meet the needs of the adult population of Charleston, Berkeley, and Dorchester counties. Included in this range of programs are technical and occupational associate degree, diploma and certificate curricula that are consistent with the needs of employers in the College’s service area. As an integral part of this mission, the College provides a program of continuing education designed to satisfy the occupational demands of employers through retraining and upgrading the skills of individual employees. The College also provides a variety of developmental education programs, support services and offerings to assist students in meeting their personal and professional educational objectives.

Reporting Entity

The financial reporting entity, as defined by the Governmental Accounting Standards Board (“GASB”) Codification Section 2100, *Defining the Financial Reporting Entity*, consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion could cause the financial statements to be misleading or incomplete. GASB Codification Section 2600, *Reporting Entity and Component Unit Presentation and Disclosure*, provides criteria for determining whether certain organizations should be reported as component units based on the nature and significance of their relationships with a primary government and classifies reporting requirements for those organizations. Based on these criteria, the financial statements include the College and its blended component unit as the primary government, and another related entity as a discretely presented component unit.

As a member institution of the South Carolina Technical College System, the College is a component unit of the State of South Carolina (the “State”) and its financial statements are included in the State’s Comprehensive Annual Financial Report (“CAFR”) as a discretely presented component unit. The College has determined that the Trident Technical College Enterprise Campus Authority (the “Authority”) and the Trident Technical College Foundation (the “Foundation”) are component units. Therefore, the accompanying financial statements present the College, as the primary government with its component units. The Foundation, due to the nature and significance of its relationship with the State, is not a component unit of the State.

The Authority was created on June 12, 2006, for the purpose of managing and operating the Enterprise Campus. For accounting purposes, the Authority is considered a component unit of Trident Technical College. The Authority’s component unit relationship principally arises from the Authority’s financial accountability to the College. In particular, the legislation establishing the Authority requires that the members of the College’s Area Commission also constitute the Board of the Authority. In accordance with governmental accounting standards, the Authority’s financial activity is blended in the financial statements of the College.

The Foundation is a legally separate eleemosynary organization with a self-perpetuating Board of Trustees. It was established to further the educational aims of the College. Principally all of the resources held by the Foundation are for the benefit of the College and its students. Therefore, the Foundation qualifies as a discretely presented component unit. The Foundation’s statements are presented on separate pages from the College due to differences in the reporting models as discussed below.

Complete financial statements for the Foundation may be obtained from its administrative offices by request to Post Office Box 61227, Charleston, South Carolina 29419-1227.

NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Statements

The financial statement presentation for the College meets the requirements of GASB Codification Sections 2100-2900, *Financial Reporting Entity*. The financial statement presentation provides a comprehensive, entity-wide perspective of the College's assets, liabilities, deferred inflows and outflows, net position, revenues, expenses and changes in net position and cash flows.

The financial statements of the Trident Technical College Foundation are presented in accordance with accounting principles generally accepted or promulgated by the Financial Accounting Standards Board ("FASB"). The Foundation's revenue and expenses are recognized as increases and decreases in one of three net asset classifications - unrestricted, temporarily restricted, or permanently restricted. Permanently restricted net assets consists of contributions and other inflows of assets whose use is limited in perpetuity by donor imposed stipulations. Temporarily restricted net assets consists of contributions and other transactions whose use is limited by time or purpose by donor imposed stipulations. Unrestricted net assets are transactions which are neither temporarily nor permanently restricted.

When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

Basis of Accounting

For financial reporting purposes, the College is considered a special-purpose government engaged only in business-type activities. Accordingly, the College's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and

expenses are recorded when an obligation has been incurred. Student tuition and auxiliary enterprise fees are presented net of scholarships and fellowships applied to student accounts, while stipends and other payments made directly are presented as scholarship expenses. All significant intra-institutional transactions have been eliminated.

The Foundation's statements are presented on the accrual basis of accounting in accordance with the Accounting Standards Codification. Therefore, certain revenue recognition criteria and presentation features are different from GASB criteria and presentation features. No modifications for these differences have been made to the Foundation's financial statements included in the College's financial reporting entity.

Cash and Cash Equivalents

The amounts shown in the financial statements as "cash and cash equivalents" represent petty cash and cash on deposit in banks. For purposes of the Statements of Cash Flows, the College considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Funds invested through the State of South Carolina State Treasurer's Office are considered cash equivalents.

State Law requires that a bank receiving State funds must secure the deposits by deposit insurance, surety bonds, collateral securities or letters of credit to protect the State against any loss.

The Area Commission, the governing board of the College, has established policies regarding the custodial credit risk of the deposits with financial institutions that require the collateralization of all deposits with obligations of the United States or its agencies. The policies require that all deposits be denominated in United States dollars.

Investments

Deposits and investments for the College are governed by the South Carolina Code of Laws, Section 11-9-660, "Investment of Funds." The College accounts for its investments at fair

NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

value in accordance with governmental accounting standards. Changes in unrealized gain (loss) on the fair value of investments are reported as a component of investment income in the Statements of Revenues, Expenses and Changes in Net Position.

The Area Commission has established investment policies which authorize the investment of surplus funds in order to earn revenue for use as general operating funds in compliance with the Code of Laws of South Carolina. Investments consist primarily of obligations of the United States, its agencies and instrumentalities. The College has no formal investment policy regarding diversification of investments, credit risk, liquidity risk or interest rate risk.

Accounts Receivable

Accounts receivable consist of tuition and fee charges to students, and auxiliary enterprise services provided to students, faculty and staff. Accounts receivable also include amounts due from the Federal government, state and local governments or private sources, in connection with reimbursement of allowable expenditures made pursuant to the College's grants and contracts. Included in accounts receivable are amounts committed through appropriations by the State and property taxes collected for College operations through Berkeley, Charleston and Dorchester counties. Accounts receivable are recorded net of estimated uncollectible amounts.

Allowances for losses for student accounts receivable are established based upon actual losses experienced in prior years and evaluations of the current account portfolio.

Inventories

Inventories for internal use are valued at cost. Inventories for resale are carried at the lower of cost or market on the first-in, first-out (FIFO) basis.

Capital Assets

Capital assets are recorded at cost at the date of acquisition or fair market value at the date of donation in the case of gifts. The College follows capitalization guidelines established by the State of South Carolina. All land is capitalized, regardless of cost. Qualifying improvements that rest in or on the land itself are recorded as depreciable land improvements. Major additions, renovations and other improvements of \$100,000 or more that add to the usable space, prepare existing buildings for new uses, or extend the useful life of an existing building are capitalized. The College capitalizes movable personal property with a unit value in excess of \$5,000 and a useful life in excess of two years and depreciable land improvements, buildings and improvements, and intangible assets costing in excess of \$100,000. Routine repairs and maintenance and library materials, except individual items costing in excess of \$5,000, are charged to operating expenses in the year in which the expense was incurred.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally 15 to 50 years for buildings and improvements and land improvements and 2 to 25 years for machinery, equipment and vehicles. Prior to July 1, 2012, a full year of depreciation was taken the year the asset was placed in service and no depreciation was taken in the year of disposition. For assets placed in service after July 1, 2012, the State adopted a monthly depreciation convention in which depreciation is recognized in the month of purchase on a pro-rata basis of days placed in service.

Capitalized Interest

The College capitalizes interest cost in excess of earnings on debt associated with the capital projects as a component of construction in progress. Therefore, capital asset values include such interest costs when appropriate. There were no interest costs capitalized for fiscal year 2017.

NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to assets, the Statements of Net Position report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time.

In addition to liabilities, the Statements of Net Position report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Changes in net pension liability not included in pension expense are reported as deferred outflows of resources or deferred inflows of resources. Employer contributions subsequent to the measurement date of the net pension liability are reported as deferred outflows of resources.

Unearned Revenue and Deposits

Unearned revenue includes amounts received for tuition, fees and certain auxiliary activities prior to the end of the fiscal year but related to the subsequent accounting period. Unearned revenue also includes amounts received from grants and contracts that have not yet been earned.

Deposits represent student fee refunds and other miscellaneous deposits. Student deposits are recognized as revenue during the semester for which the fee is applicable and earned when the deposit is nonrefundable to the student under the forfeit terms of the agreement.

Net Pension Liability

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position of the South Carolina Retirement

System (“SCRS”) and the South Carolina Police Officers Retirement System (“PORS”), and additions to/deductions from SCRS’ and PORS’ fiduciary net position have been determined on the same basis as they are reported by SCRS or PORS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Compensated Absences

Employee vacation pay expense is accrued at year-end for financial statement purposes. The liability and expense incurred are recorded at year-end as a component of current and long-term liabilities in the Statements of Net Position and as a component of salaries and benefit expenses in the Statements of Revenues, Expenses, and Changes in Net Position.

Net Position

The College’s net position is classified as follows:

Net investment in capital assets: This represents the College’s total investment in capital assets, net of outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets.

Restricted-expendable: Restricted expendable net position includes resources that the College is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties.

Restricted-nonexpendable: Nonexpendable restricted net position consists of endowment and similar type funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may either be expended or added to principal. The College does not currently report any net position in this classification.

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NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Unrestricted: Unrestricted net position represents resources derived from student tuition and fees, appropriations, and sales and services of educational departments and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the College, and may be used at the discretion of the governing board to meet current expenses for any purpose. These resources also include auxiliary enterprises, which are substantially self-supporting activities that provide services for students, faculty and staff.

The College's policy for applying expenses for which either restricted or unrestricted resources may be used is to first apply the expense to restricted resources and then to unrestricted resources.

Income Taxes

The College is exempt from federal income taxes under the Internal Revenue Code. The Foundation is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, any income from activities not directly related to the College's or the Foundation's tax-exempt purpose would be subject to taxation as unrelated business income tax.

In addition, the Foundation qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a). Tax exempt status arises from the fact that the Foundation's sole reason for existence is as a support organization for the College.

GAAP prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. GAAP also provides guidance on derecognition of tax benefits, classification on

the balance sheet, interest and penalties, accounting in interim periods, and disclosure.

Management evaluated the Foundation's tax positions and concluded that the Foundation had taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance for the years ended June 30, 2017 or 2016. The Foundation's policy is to report accrued interest related to unrecognized tax benefits, when applicable, as interest income and to report penalties as other expense. With few exceptions, the Foundation is no longer subject to income tax examinations by the U.S. federal, state, or local tax authorities for the years ended before June 30, 2014.

Classification of Revenues and Expenses

The College has classified its revenues and expenses as either operating or nonoperating according to the following criteria:

Operating revenues and expenses:

Operating revenues generally result from exchange transactions to provide goods or services related to the College's principle ongoing operations. These revenues include (1) student tuition and fees received in exchange for providing educational services, and other related services to students; (2) supplements for tuition assistance for which compliance and monitoring extends beyond the disbursement of funds; (3) fees received from organizations and individuals in exchange for miscellaneous goods and services provided by the College; and (4) grants and contracts that are essentially the same as contracts for services that finance programs the College would not otherwise undertake. Operating expenses are those expenditures required to meet the mission and objectives of the College's existence and include all expense transactions other than those related to investing or financing activities. Operating expenses also include purchases for resale which are generally expenses by the bookstore and conference services that are passed on to customers.

NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Nonoperating revenues and expenses:

Nonoperating revenues include activities that have the characteristics of non-exchange transactions. These revenues include gifts and contributions, appropriations, investment income, and any grants and contracts that are not classified as operating revenue or restricted by the grantor to be used exclusively for capital purposes. Nonoperating expenses include interest paid on capital asset related debt, and losses on the disposal of capital assets.

Scholarship Allowance

Student tuition and fees, and certain other revenues from students, are reported net of a scholarship allowance in the Statements of Revenues, Expenses and Changes in Net Position. Scholarship allowances are the difference between the stated amount charged for goods and services provided by the College, and the amount that is paid by students and/or third parties making payments on the students' behalf. Certain governmental grants, such as Pell grants, and other Federal, State or nongovernmental programs are recorded as either operating or nonoperating revenues in the College's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees and other student charges, the College has recorded a scholarship allowance.

Sales and Services of Educational and Other Activities

Revenues from sales and services of educational and other activities generally consist of amounts received from instructional and laboratory activities that incidentally create goods and services, which may be sold to students, faculty, staff and the general public. The College receives such revenues primarily from incidental dental services and culinary arts.

Auxiliary Enterprises and Internal Service Activities

Auxiliary enterprise revenues primarily represent revenues generated by bookstore, cafeteria and facilities rental services. Revenues of internal service and auxiliary enterprise activities and the related expenditures of college departments have been eliminated.

County Appropriations Revenue

The College obtains support from Berkeley, Charleston and Dorchester counties in the form of billed millage of property taxes. Real property and business personal property taxes, excluding automobile property taxes, become enforceable liens as of January 1. Real property taxes are levied in November and are payable without penalty during January. Automobile property taxes are levied throughout the year depending on vehicle tag expiration dates. Business property taxes are levied in September and are payable during January. Property taxes are assessed and collected by the counties and remitted monthly or quarterly to the College. Property taxes billed by the respective counties but remaining uncollected as of June 30, 2017, is unknown and therefore, unrecorded by the College. County appropriations receivable in *Note 3* represents amounts collected by the counties as of June 30, 2017, but not yet remitted to the College. The College has also disclosed tax abatement agreements entered into by the counties in *Note 18*.

Estimates

The preparation of the financial statements in accordance with accounting principles generally accepted in the United States of America requires the use of estimates. Actual amounts may differ from the estimates used.

NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recently Adopted Accounting Standard

The GASB issued Statement No. 77, *Tax Abatement Disclosures*, in August 2015. This statement provides guidance for disclosing information about the nature and magnitude of tax abatements. Under GASB 77, tax abatement is a reduction in tax revenues resulting from an agreement between one or more governments and in individual or entity. Since the College obtained support from the county government in the form of millage, the College is required to disclose relevant tax abatement data. See *Note 18* for more information.

NOTE 2 — DEPOSITS AND INVESTMENTS

Deposits

Custodial Credit Risk – Custodial credit risk for deposits is the risk that the College will not be able to recover deposits if a depository financial institution fails or to recover the value of collateral securities that are in the possession of an outside party if the counterparty to the deposit transaction fails.

Deposits may include demand deposits with banks, certificates of deposits with banks and amounts held by the State Treasurer. At June 30, 2017, the College's carrying value of deposits with banks was \$47,220,239. The bank balances were \$48,677,315, of which \$250,000 was covered by Federal Deposit Insurance Corporation ("FDIC") insurance. The balance was collateralized with securities held by Bank of America, N.A. and pledged to the State of South Carolina as part of a pooled collateral agreement.

The College did not recognize any losses in the year ended June 30, 2017, that were due to default by counterparties.

Foreign Currency Risk – Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of a deposit. The College does not maintain deposits or investments that are denominated in a currency other than the United States dollar; and therefore, is not exposed to this risk.

Investments

Custodial Credit Risk – Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty to a transaction, the College will not be able to recover the value of the investments or the collateral securities that are in the possession of the outside party. The College's investments at June 30, 2017 are not with the South Carolina State Treasurer's Office and are alternatively held by certain financial institutions in the College's name. The fair value of investments at June 30, 2017, consists of United States government-backed securities with maturities of less than one year. All of the securities for the reporting period were either fully collateralized or insured by the Federal Deposit Insurance Corporation.

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The College limits its investments to the most conservative types of securities through policy and legal restrictions.

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. Issuers that represent 5 percent or more of total investments:

	Fair Value	% of Investments
Freddie Mac	\$ 2,981,566	60
Fannie Mae	994,033	20
Federal Home Loan Bank	996,840	20

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. It occurs because potential purchasers of debt securities will not pay the face value of the securities if interest rates subsequently increase, thereby, affording potential purchasers more favorable rates on essentially equivalent securities. Part of the interest rate risk experienced with debt securities is maturity risk. The College structures its investment portfolio so securities mature to meet cash requirements for ongoing

**NOTE 2 — DEPOSITS AND
INVESTMENTS (CONTINUED)**

operations to prevent the need to liquidate securities prior to maturity. Another component of interest rate risk is the exposure to fluctuations in the purchase price caused by stated earnings rates of the investments.

Fair Value Measurement

The College has adopted applicable accounting standards for its financial assets and liabilities which clarify that fair value is an exit price, representing the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The College utilizes market data or assumptions that market participants would use in pricing the asset or liability. The standards establish a three- tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. These tiers include: Level 1, defined as observable inputs such as quoted prices in active markets; Level 2, defined as inputs other than quoted prices in active markets that are either directly or indirectly observable; and Level 3, defined as unobservable inputs about which little or no market data exists, therefore requiring an entity to develop its own assumptions.

The College's investments consist entirely of \$4,972,439 in government securities backed by the federal government. Due to the short-term duration of these investments, management does not consider there to be a significant difference between fair value and the carrying amount. These investments have been categorized as Level 2.

Non-governmental discretely presented
component unit

Concentration of Credit Risk – The Foundation maintains its cash accounts at a local financial institution. Cash accounts are guaranteed in aggregate by the FDIC up to \$250,000 per institution. From time to time, cash balances may exceed FDIC insurance limits. Management believes that the Foundation's investments do not represent significant concentrations of market risk. The Foundation's investments portfolio is adequately diversified among issuers and management believes that the Foundation has the ability to hold its investment portfolio during periods of temporary market decline.

The Foundation is also subject to concentration of credit risk related to its contributions since most donors are in the coastal South Carolina area. This risk is limited due to the large number of contributors comprising the Foundation's contributor base.

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NOTE 2 — DEPOSITS AND INVESTMENTS (CONTINUED)

Investments – Investments in marketable equity securities with readily determinable fair values and all investments in debt securities are carried at fair market value. Unrealized gains and losses are included in the change in net assets in the Statements of Activities.

The following summarizes the cost and fair value of the investments of the Foundation at June 30, 2017:

	Cost	Fair Value
Money Market	\$ 372,297	\$ 372,297
Fixed Income		
Government obligations	222,819	218,372
Corporate obligations	243,245	238,361
Domestic mutual funds	667,448	669,097
International mutual funds	559,585	584,145
Equities		
Domestic mutual funds	911,064	1,140,352
International mutual funds	889,918	913,767
Other mutual funds	1,815,885	2,048,517
Alternative investment funds	740,068	750,416
Real assets funds	736,444	758,230
Total investments	<u>\$ 7,158,773</u>	<u>\$ 7,693,554</u>

The following schedule reconciles cash and investments as reported on the statements of position to the footnote disclosure provided for deposits and investments.

STATEMENT OF NET POSITION:

College	
Cash and cash equivalents	\$ 47,242,789
Short term investments	4,972,439
Total Statement of Net Position	<u>52,215,228</u>

STATEMENT OF FINANCIAL POSITION:

Foundation	
Cash and cash equivalents	652,507
Investments	7,693,554
Total Statement of Financial Position	<u>8,346,061</u>

TOTAL FINANCIAL STATEMENTS	<u>\$ 60,561,289</u>
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DISCLOSURE, DEPOSITS AND INVESTMENTS:

College	
Cash on hand	\$ 22,550
On deposit with banks	47,220,250
Short term investments	4,972,439
College total	<u>52,215,228</u>
Foundation	
On deposit with banks	652,507
Investments, reported amount	7,693,554
Foundation total	<u>8,346,061</u>
Total disclosure deposits and investments	<u>\$ 60,561,289</u>

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NOTE 3 — ACCOUNTS RECEIVABLE AND UNCONDITIONAL PROMISES TO GIVE

The College's receivables as of June 30, 2017, including applicable allowances, were as follows:

<u>Receivables:</u>	
Student accounts	\$ 7,977,866
County appropriations and capital funding	77,011
Federal grants and contracts	1,692,576
State grants and contracts	2,096,658
Local grants and contracts	140,891
Other	698,081
State capital funding	<u>1,683,638</u>
Gross accounts receivable	14,366,721
Less: allowance for uncollectible student accounts	<u>(2,530,000)</u>
Net accounts receivable	<u>\$ 11,836,721</u>

The Foundation has recognized unconditional promises to give to be collected as follows at June 30, 2017:

Receivable in	
Less than one year	\$ 501,519
One to five years	2,288,233
More than five years	<u>3,868,458</u>
	6,658,210
Less: discount to net present value	<u>(1,423,823)</u>
Net unconditional promises to give	<u>\$ 5,234,387</u>

The discount to net present value was calculated using the interest rate of 3.25% at June 30, 2017. Bad debts for the year ended June 30, 2017 were \$500.

NOTE 4 — ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses as of June 30, 2017, are summarized as follows:

Accounts payable	\$ 2,135,382
Benefits payable	789,899
Sales tax payable	19,092
Restricted grants payable	49,568
Retainage payable	54,796
Accrued interest payable	<u>54,508</u>
Total accounts payable and accrued expenses	<u>\$ 3,103,245</u>

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NOTE 5 — CAPITAL ASSETS

The following is a summary of the changes in the capital assets accounts during the year ended June 30, 2017.

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated				
Land and improvements	\$ 7,132,114	\$ 782,857	\$ -	\$ 7,914,971
Construction in progress	2,725,245	5,141,770	(1,682,106)	6,184,909
Total capital assets not being depreciated	9,857,359	5,924,627	(1,682,106)	14,099,880
Other capital assets				
Buildings and improvements	152,054,412	822,651	-	152,877,063
Machinery, equipment, and other	26,550,990	1,082,333	-	27,633,323
Vehicles	1,016,879	31,933	-	1,048,812
Depreciable land improvements	2,483,129	-	-	2,483,129
Intangibles	1,311,842	-	-	1,311,842
Total other capital assets at historical cost	183,417,252	1,936,917	-	185,354,169
Less accumulated depreciation for				
Buildings and improvements	(66,252,033)	(4,729,551)	-	(70,981,584)
Machinery, equipment, and other	(23,617,289)	(1,812,391)	-	(25,429,680)
Vehicles	(898,863)	(31,886)	-	(930,749)
Depreciable land improvements	(584,596)	(133,552)	-	(718,148)
Intangibles	(1,016,213)	(63,865)	-	(1,080,078)
Total accumulated depreciation	(92,368,994)	(6,771,245)	-	(99,140,239)
Other capital assets, net	91,048,258	(4,834,328)	-	86,213,930
Capital assets, net	<u>\$100,905,617</u>	<u>\$ 1,090,299</u>	<u>\$ (1,682,106)</u>	<u>\$100,313,810</u>

Noncash transactions of capital assets during the fiscal year include equipment donations and transfers totaling \$182,562.

NOTE 6 — PENSION PLANS

Description of the entity:

The South Carolina Public Employee Benefit Authority (“PEBA”), which was created July 1, 2012, administers the various retirement systems and retirement programs managed by its Retirement Division. PEBA has an 11-member Board of Directors, appointed by the Governor and General Assembly leadership, which serves as co-trustee and co-fiduciary of the systems and the trust funds. By law, the State Fiscal Accountability Authority (“SFAA”), which consists of five elected officials, also reviews certain PEBA Board decisions regarding the funding of the South Carolina Retirement Systems (“Systems”) and serves as a co-trustee of the Systems in conducting that review.

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Systems and additions to/ deductions from the Systems’ fiduciary net position have been determined on the accrual basis of accounting as they are reported by the Systems in accordance with generally accepted accounting principles (“GAAP”). For this purpose, revenues are recognized when earned and expenses are recognized when incurred. Benefit and refund expenses are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

PEBA issues a CAFR containing financial statements and required supplementary information for the Systems’ Pension Trust Funds. The CAFR is publicly available on the Retirement Benefits’ link on PEBA’s website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA, 202 Arbor Lake Drive, Columbia, SC 29223. PEBA is considered a division of the primary government of the state of South Carolina and therefore, retirement trust fund financial information is also included in the comprehensive annual financial report of the state.

Plan description

The South Carolina Retirement System (“SCRS”), a cost-sharing multiple-employer defined benefit pension plan, was established effective July 1, 1945, pursuant to the provisions of Section 9-1-20 of the South Carolina Code of Laws for the purpose of providing retirement allowances and other benefits for employees of the state, its public school districts, and political subdivisions.

The State Optional Retirement Program (“State ORP”) is a defined contribution plan that is offered as an alternative to certain newly hired state, public school, and higher education employees. State ORP participants direct the investment of their funds into a plan administered by one of four investment providers.

The South Carolina Police Officers Retirement System (“PORS”), a cost-sharing multiple-employer defined benefit pension plan, was established effective July 1, 1962, pursuant to the provisions of Section 9-11-20 of the South Carolina Code of Laws for the purpose of providing retirement allowances and other benefits for police officers and firemen of the state and its political subdivisions.

Membership

Membership requirements are prescribed in Title 9 of the South Carolina Code of Laws. A brief summary of the requirements under each system is presented below.

SCRS - Generally, all employees of covered employers are required to participate in and contribute to the system as a condition of employment. This plan covers general employees and teachers and individuals newly elected to the South Carolina General Assembly beginning with the November 2012 general election. An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. An employee member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.

NOTE 6 — PENSION PLANS
(CONTINUED)

State ORP - As an alternative to membership in SCRS, newly hired state, public school, and higher education employees and individuals newly elected to the S.C. General Assembly beginning with the November 2012 general election have the option to participate in the State ORP, which is a defined contribution plan. State ORP participants direct the investment of their funds into a plan administered by one of four investment providers. PEBA assumes no liability for State ORP benefits. Rather, the benefits are the liability of the investment providers. For this reason, State ORP programs are part of the retirement systems' trust funds for financial statement purposes. Employee and Employer contributions to the State ORP are at the same rates as SCRS. A direct remittance is required from the employers to the member's account with investment providers for the employee contribution and a portion of the employer contribution (5 percent). A direct remittance is also required to SCRS for the remaining portion of the employer contribution and an incidental death benefit contribution, if applicable, which is retained by SCRS.

PORS - To be eligible for PORS membership, an employee must be required by the terms of his employment, by election or appointment, to preserve public order, protect life and property, and detect crimes in the state; to prevent and control property destruction by fire; or to serve as a peace officer employed by the Department of Corrections, the Department of Juvenile Justice, or the Department of Mental Health. Probate judges and coroners may elect membership in PORS. Magistrates are required to participate in PORS for service as a magistrate. PORS members, other than magistrates and probate judges, must also earn at least \$2,000 per year and devote at least 1,600 hours per year to this work, unless exempted by statute. An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. An employee member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.

Benefits

Benefit terms are prescribed in Title 9 of the South Carolina Code of Laws. PEBA does not have the authority to establish or amend benefit terms without a legislative change in the code of laws. Key elements of the benefit calculation include the benefit multiplier, years of service, and average final compensation. A brief summary of benefit terms for each system is presented below.

SCRS - A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 65 or with 28 years credited service regardless of age. A member may elect early retirement with reduced pension benefits payable at age 55 with 25 years of service credit. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension upon satisfying the Rule of 90 requirement that the total of the member's age and the member's creditable service equals at least 90 years. Both Class Two and Class Three members are eligible to receive a reduced deferred annuity at age 60 if they satisfy the five- or eight-year earned service requirement, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program.

The annual retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of one percent or five hundred dollars every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase. Members who retire under the early retirement provisions at age 55 with 25 years of service are not eligible for the benefit adjustment until the second July 1 after reaching age 60 or the second July 1 after the date they would have had 28 years of service credit had they not retired.

PORS - A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 55 or with 25 years of service regardless of age. A Class Three member who has separated from service with at least eight or more years of earned service is

**NOTE 6 — PENSION PLANS
(CONTINUED)**

eligible for a monthly pension at age 55 or with 27 years of service regardless of age. Both Class Two and Class Three members are eligible to receive a deferred annuity at age 55 with five or eight years of earned service, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program. Accidental death benefits are also provided upon the death of an active member working for a covered employer whose death was a natural and proximate result of an injury incurred while in the performance of duty.

The retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of one percent or five hundred dollars every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase.

Teacher and Employee Retention Incentive
Effective January 1, 2001, Section 9-1-2210 of the South Carolina Code of Laws allows employees eligible for service retirement to participate in the Teachers and Employee Retention (“TERI”) Program. TERI participants may retire and begin accumulating retirement benefits on a deferred basis without terminating employment for up to five years. Upon termination of employment or at the end of the TERI period, whichever is earlier, participants will begin receiving monthly

service retirement benefits which will include any benefit adjustments granted during the TERI period. Because participants are considered retired during the TERI period, they do not earn service credit, and are ineligible for disability retirement benefits. The TERI program will end effective June 30, 2018 and a member’s participation may not continue after this date.

Contributions

Contributions are prescribed in Title 9 of the South Carolina Code of Laws. Upon recommendation by the actuary in the annual actuarial valuation, the PEBA Board may adopt and present to the SFAA for approval an increase in the SCRS and PORS employer and employee contribution rates, but any such increase may not result in a differential between the employee and employer contribution rate that exceeds 2.9 percent of earnable compensation for SCRS and 5 percent for PORS. An increase in the contribution rates adopted by the Board may not provide for an increase of more than one-half of one percent in any one year. If the scheduled employee and employer contributions provided in statute or the rates last adopted by the board are insufficient to maintain a thirty year amortization schedule of the unfunded liabilities of the plans, the Board shall increase the contribution rates in equal percentage amounts for the employer and employee as necessary to maintain the thirty-year amortization period; and, this increase is not limited to one-half of one percent per year.

Required employee contribution rates¹ are as follows:

	<u>Fiscal Year 2017</u>	<u>Fiscal Year 2016</u>
SCRS		
Employee Class Two	8.66%	8.16%
Employee Class Three	8.66%	8.16%
State ORP		
Employee	8.66%	8.16%
PORS		
Employee Class Two	9.24%	8.74%
Employee Class Three	9.24%	8.74%

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NOTE 6 — PENSION PLANS (CONTINUED)

Required **employer** contribution rates² are as follows:

	<u>Fiscal Year 2017</u>	<u>Fiscal Year 2016</u>
SCRS		
Employer Class Two	11.41%	10.91%
Employer Class Three	11.41%	10.91%
Employer Incidental Death Benefit	0.15%	0.15%
State ORP		
Employer	11.41%	10.91%
Employer Incidental Death Benefit	0.15%	0.15%
PORS		
Employer Class Two	13.84%	13.34%
Employer Class Three	13.84%	13.34%
Employer Incidental Death Benefit	0.20%	0.20%
Employer Accidental Death Program	0.20%	0.20%

¹ Calculated on earnable compensation as defined in Title 9 of the South Carolina Code of Laws.

² Of this employer contribution, 5% of earnable compensation must be remitted by the employer directly to the ORP vendor to be allocated to the member's account with the remainder of the employer contribution remitted to the SCRS.

SCRS – The College's actual retirement and incidental death benefit program contributions to the SCRS for the years ended June 30, 2017, 2016, and 2015 were:

<u>Fiscal Year Ended</u>	<u>Retirement Rate</u>	<u>Retirement Contribution</u>
2017	11.41%	\$ 4,687,760
2016	10.91%	\$ 4,185,771
2015	10.75%	\$ 4,295,673

<u>Fiscal Year Ended</u>	<u>Incidental Death Benefit Rate</u>	<u>Incidental Death Benefit Contribution</u>
2017	0.15%	\$ 66,550
2016	0.15%	\$ 57,550
2015	0.15%	\$ 59,940

PORS – The College's actual retirement and incidental death benefit program contributions to the SCRS for the years ended June 30, 2017, 2016, and 2015, were:

<u>Fiscal Year Ended</u>	<u>Retirement Rate</u>	<u>Retirement Contribution</u>
2017	13.840%	\$ 169,260
2016	13.340%	\$ 163,470
2015	13.010%	\$ 176,083

<u>Fiscal Year Ended</u>	<u>Incidental Death Benefit Rate</u>	<u>Incidental Death Benefit Contribution</u>
2017	0.20%	\$ 2,446
2016	0.20%	\$ 2,451
2015	0.20%	\$ 2,707

<u>Fiscal Year Ended</u>	<u>Accidental Death Program Rate</u>	<u>Accidental Death Program Contribution</u>
2017	0.20%	\$ 2,446
2016	0.20%	\$ 2,451
2015	0.20%	\$ 2,707

**NOTE 6 — PENSION PLANS
(CONTINUED)**

State ORP – Contributions to the ORP pension plan from the College for retirement and incidental death benefits were \$480,113 and \$11,235, respectively, for the year ended June 30, 2017. In addition, the College contributed \$374,576 directly to the ORP vendors.

Actuarial assumptions and methods

Actuarial valuations involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and future salary increases. Actuarial assumptions and methods used during the annual valuation process are subject to periodic revision, typically with an experience study, as actual results over an extended period of time are

compared with past expectations and new estimates are made about the future.

South Carolina state statute requires that an actuarial experience study be completed at least once in each five-year period. An experience report on the Systems was most recently issued as of July 1, 2015. The June 30, 2016, total pension liability, net pension liability, and sensitivity information were determined by the Systems' consulting actuary, Gabriel, Roeder, Smith and Company ("GRS") based on the July 1, 2015, actuarial valuations, as adopted by the PEBA Board and SFAA which utilized membership data as of July 1, 2015. The total pension liability was rolled-forward from the valuation date to the Systems' fiscal year ended June 30, 2016, using generally accepted actuarial principles. Information included in the following schedules is based on the certification provided by GRS.

The following table provides a summary of the actuarial assumptions and methods used in the July 1, 2015, valuations for SCRS and PORS.

	SCRS	PORS
Actuarial cost method	Entry age normal	Entry age normal
Investment rate of return ¹	7.5%	7.5%
Projected salary increases	3.5% to 12.5% (varies by service) ¹	4.0% to 10.0% (varies by service) ¹
Benefit adjustments	lesser of 1% or \$500 annually	lesser of 1% or \$500 annually
¹ Includes inflation at 2.75%		

The post-retiree mortality assumption is dependent upon the member's job category and gender. This assumption includes base rates which are automatically adjusted for future improvement in mortality using published Scale AA projected from the year 2000. Assumptions used in the July 1, 2015, valuations for SCRS and PORS are as follows:

Former Job Class	Males	Females
Educators	RP-2000 Males (with White Collar adjustment) multiplied by 110%	RP-2000 Females (with White Collar adjustment) multiplied by 95%
General Employees and Members of the General Assembly	RP-2000 Males multiplied by 100%	RP-2000 Females multiplied by 90%
Public Safety and Firefighters	RP-2000 Males (with Blue Collar adjustment) multiplied by 115%	RP-2000 Females (with Blue Collar adjustment) multiplied by 115%

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NOTE 6 — PENSION PLANS (CONTINUED)

Pension Plan Fiduciary Net Position

The net pension liability (“NPL”) is calculated separately for each system and represents that particular system’s total pension liability determined in accordance with GASB Statement No. 67 less that System’s fiduciary net position. NPL totals, as of June 30, 2016, for SCRS and PORS are presented below.

System	Total Pension Liability	Plan Fiduciary Net Position	Employers' Net Pension Liability (Asset)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
SCRS	\$ 45,356,214,752	\$ 23,996,362,354	\$ 21,359,852,398	52.9%
PORS	6,412,510,458	3,876,035,732	2,536,474,726	60.4%

The total pension liability is calculated by the Systems’ actuary, and each plan’s fiduciary net position is reported in the Systems’ financial statements. The net pension liability is disclosed in accordance with the requirements of GASB Statement No. 67 in the Systems’ notes to the financial statements and required supplementary information. Liability calculations performed by the Systems’ actuary for the purpose of satisfying the requirements of GASB Statement Nos. 67 and 68 are not applicable for other purposes, such as determining the plans’ funding requirements.

Net pension liability

At June 30, 2017, the College reported liabilities of \$93,440,383 and \$2,438,088 for its proportionate share of the SCRS and PORS net pension liabilities, respectively. The net pension liabilities were measured as of June 30, 2016, and the total pension liabilities used to calculate the net pension liabilities were determined by an actuarial valuation as of July 1, 2015 projected forward to June 30, 2016. The College’s proportionate shares of the net pension liabilities were based on a projection of the College’s long-term share of

contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2017, the College’s proportionate shares of the SCRS and PORS plans were 0.437458% and 0.096121%, respectively.

Pension expense:

For the year ended June 30, 2017, the College recognized pension expense for the SCRS and PORS plans of \$7,093,776 and \$164,234, respectively.

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NOTE 6 — PENSION PLANS (CONTINUED)

Deferred inflows of resources and deferred outflows of resources:

At June 30, 2017, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources for each of the respective plans:

	SCRS Deferred outflows of resources	SCRS Deferred inflows of resources
Differences between expected and actual experience	\$ 968,619	\$ 101,477
Net difference between projected and actual earnings on pension plan investments	7,861,339	-
Changes in proportion and differences between College contributions and proportionate share of contributions	192,638	4,096,126
College contributions subsequent to the measurement date	5,858,918	-
Changes of assumptions	-	-
Total	<u>\$ 14,881,514</u>	<u>\$ 4,197,603</u>
	PORS Deferred outflows of resources	PORS Deferred inflows of resources
Differences between expected and actual experience	\$ 36,177	\$ -
Net difference between projected and actual earnings on pension plan investments	276,457	-
Changes in proportion and differences between College contributions and proportionate share of contributions	-	328,848
College contributions subsequent to the measurement date	171,706	-
Changes of assumptions	-	-
Total	<u>\$ 484,340</u>	<u>\$ 328,848</u>

The \$5,858,918 and \$171,706 reported as deferred outflows of resources related to pensions resulting from College contributions subsequent to the measurement date for the SCRS and PORS plans, respectively, during the year ended June 30, 2017 will be recognized as a reduction of the net pension liabilities in the year ended June 30, 2018.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows for the SCRS and PORS plans, respectively:

<u>Years ending June 30</u>	<u>SCRS</u>	<u>PORS</u>
2018	\$ 941,313	\$ (28,743)
2019	435,009	(30,577)
2020	1,833,403	19,569
2021	1,615,268	23,537
2022	-	-
Thereafter	-	-
	<u>\$ 4,824,993</u>	<u>\$ (16,214)</u>

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NOTE 6 — PENSION PLANS
(CONTINUED)

Long-term expected rate of return

The long-term expected rate of return on pension plan investments, as used in the July 1, 2015, actuarial valuations, was based upon the 30 year capital market outlook at the end of the third quarter 2015. The long-term expected rate of returns represent assumptions developed using an arithmetic building block approach primarily based on consensus expectations and market based inputs. Expected returns are net of investment fees.

The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted beginning January 1, 2016. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and by adding expected inflation and is summarized in the table below. For actuarial purposes, the 7.50 percent assumed annual investment rate of return used in the calculation of the total pension liability includes a 4.75 percent real rate of return and a 2.75 percent inflation component.

Asset Class	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Long Term Expected Portfolio Real Rate of Return
Global Equity	43.0%		
Global Public Equity	34.0%	6.52%	2.22%
Private Equity	9.0%	9.30%	0.84%
Real Assets	8.0%		
Real Estate	5.0%	4.32%	0.22%
Emerging Markets Debt	3.0%	4.53%	0.13%
Opportunistic	20.0%		
GTAA/Risk Parity	10.0%	3.90%	0.39%
PHF (Low Beta)	10.0%	3.87%	0.39%
Diversified Credit	17.0%		
Mixed Credit	5.0%	3.52%	0.17%
Emerging Markets Debt	5.0%	4.91%	0.25%
Private Debt	7.0%	4.47%	0.31%
Conservative Fixed Income	12.0%		
Core Fixed Income	10.0%	1.72%	0.17%
Cahs and Short Duration (Net)	2.0%	0.71%	0.01%
Total Expected Real Return	100.0%		5.10%
Inflation for Actuarial Purposes			2.75%
Total Expected Nominal Return			7.85%

Discount rate

The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that the funding policy specified in the South Carolina State Code of Laws will remain unchanged in future years. Based on those assumptions, each System's

fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE 6 — PENSION PLANS (CONTINUED)

Sensitivity analysis

The following table presents the collective net pension liability of the participating employers calculated using the discount rate of 7.50 percent, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is 1.00 percent lower (6.50 percent) or 1.00 percent higher (8.50 percent) than the current rate.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – System

System	1.00% Decrease (6.50%)	Current Discount Rate (7.50%)	1.00% Increase (8.50%)
SCRS	\$ 26,645,830,988	\$ 21,359,852,398	\$ 16,959,474,388
PORS	3,324,267,374	2,536,474,726	1,828,495,252

The following table presents the College's proportionate share of the net pension liabilities of the respective plans calculated using the discount rate of 7.50 percent, as well as what the College's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1.00 percent lower (6.50 percent) or 1.00 percent higher (8.50 percent) than the current rate.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – College Share

System	1.00% Decrease (6.50%)	Current Discount Rate (7.50%)	1.00% Increase (8.50%)
SCRS	\$ 116,564,319	\$ 93,440,386	\$ 74,190,577
PORS	3,195,286	2,438,088	1,757,568

Additional financial and actuarial information

Detailed information regarding the fiduciary net position of the plans administered by PEBA is available in Systems' audited financial statements for the fiscal year ended June 30, 2016 (including the unmodified audit opinion on the financial statements). Additional actuarial information is available in the accounting and financial reporting actuarial valuation as of June 30, 2016.

NOTE 7 — POSTEMPLOYMENT AND OTHER EMPLOYEE BENEFITS

Plan Description

In accordance with the South Carolina Code of Laws and the annual Appropriations Act, the State provides post-employment health and dental and long-term disability benefits to retired State and school district employees and their covered dependents. The College contributes to the South Carolina Retiree Health Insurance Trust Fund (SCRHITF) and

the South Carolina Long-Term Disability Insurance Trust Fund (SCLTDITF), cost-sharing multiple-employer defined benefit postemployment healthcare and long-term disability plans administered by the Insurance Benefits Division (IB) of the South Carolina Public Employee Benefit Authority (PEBA).

Generally, retirees are eligible for the health and dental benefits if they have established at least ten years of retirement service credit. For new hires beginning employment May 2, 2008 and after, retirees are eligible for benefits if they have established 25 years of service for 100% employer funding and 15 through 24 years of service for 50% employer funding.

Benefits become effective when the former employee retires under a State retirement system. Basic Long-Term Disability (BLTD) benefits are provided to active state, public school district, and participating local government employees approved for disability.

**NOTE 7 — POSTEMPLOYMENT AND
OTHER EMPLOYEE BENEFITS
(CONTINUED)**

Funding Policies

Section 1-11-710 of the South Carolina Code of Laws of 1976, as amended, requires these postemployment and long-term disability benefits be funded through annual appropriations by the General Assembly for active employees to the IB and participating retirees to the PEBA, except for the portion funded through the pension surcharge and provided from the other applicable sources of the IB, for its active employees who are not funded by State General Fund appropriations. Employers participating in the RMP are mandated by State statute to contribute at a rate assessed each year by the Office of the State Budget, 5.33% of annual covered payroll for 2017 and 5.00% of annual covered payroll for 2015. The IB sets the employer contribution rate based on a pay-as-you-go basis. The College paid approximately \$2,429,940, \$2,502,861 and \$2,415,945 applicable to the surcharge included with the employer contribution for retirement benefits for the fiscal years ended June 30, 2017, 2016 and 2015, respectively. LTD benefits are funded through a person's premium charged to State agencies, public school districts, and other participating local governments. The monthly premium per active employee paid to IB was \$3.22 for the fiscal years ended June 30, 2017, 2016 and 2015. The College recorded employer contributions expenses applicable to these insurance benefits for active employees in the amount of approximately \$23,937, \$24,133 and \$24,169 for the years ended June 30, 2017, 2016 and 2015, respectively.

Effective May 1, 2008 the State established two trust funds through Act 195 for the purpose of funding and accounting for the employer costs of retiree health and dental insurance benefits and long-term disability insurance benefits. The SCRHITF is primarily funded through the payroll surcharge. Other sources of funding include additional State appropriated dollars, accumulated IB reserves, and income generated from investments. The SCLTDITF is primarily funded through investment income and employer contributions.

A copy of the separately issued financial statements for the benefit plans and the trust funds from may be obtained by writing to the South Carolina Public Employee Benefit Authority - Retirement Benefits Division, P.O. Box 11960, Columbia, South Carolina 29211-1960.

Other Employee Benefits

In accordance with the South Carolina Code of Laws and the annual Appropriation Act, the State of South Carolina provides certain health care, dental, and life insurance benefits to all permanent full-time and certain permanent part-time employees of the College. These benefits are provided on a reimbursement basis by the employer agency based on rates established at the beginning of the service period by PEBA. The College recorded benefit expenses for these insurance benefits for active employees in the amount of \$4,056,835 and \$4,308,472 for the years ended June 30, 2017 and 2016, respectively.

**NOTE 8 — CONTINGENCIES,
LITIGATION, AND PROJECT
COMMITMENTS**

The College is party to various lawsuits arising out of the normal conduct of its operations. In the opinion of College management, there are no material claims or lawsuits against the College that are not covered by insurance or whose settlement would materially affect the College's financial position.

The College participates in certain Federal grant programs. These programs are subject to financial and compliance audits by the grantor or its representative. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. Management believes disallowances, if any, will not be material.

The College had outstanding commitments under construction contracts of approximately \$11,147,386 at June 30, 2017. The College anticipates funding these projects out of current resources, current and future debt issues, private gifts, student fees, as well as federal and state capital reserve appropriations.

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NOTE 9 — LONG-TERM LIABILITIES

Long-term liability activity for the year ended June 30, 2017, was as follows:

	June 30, 2016	Additions	Reductions	June 30, 2017	Due Within One Year
Net Pension Liability	\$ 90,875,915	\$ 16,142,212	\$(11,139,656)	\$ 95,878,471	\$ -
Notes Payable	8,130,735	-	(1,186,434)	6,944,301	1,209,203
Accrued Compensated Absences	4,327,070	1,849,708	(2,454,987)	3,721,791	416,216
Total Long-Term Liabilities	<u>\$103,333,720</u>	<u>\$ 17,991,920</u>	<u>\$(14,781,077)</u>	<u>\$106,544,563</u>	<u>\$ 1,625,419</u>

Additional information regarding Notes Payable is included in *Note 11*.

NOTE 10 — LEASE OBLIGATIONS

Contingent Rental Agreements

The College rents copiers under operating leases renewable annually with no minimum lease payments specified. The contracts are strictly on contingent (a “cost per copy”) rental basis. The College incurred rental expense of \$210,096 during the fiscal year related to these leases.

NOTE 11 — NOTE PAYABLE

Note payable consisted of the following at June 30, 2017:

Bank note payable originated in the amount of \$11,000,000 to finance construction, dated July 2, 2012, payable in semi-annual installments of \$668,047 including interest at 1.91%, maturing August 1, 2022. Payments are due in February and August of each year.

\$ 6,944,301

The scheduled maturities of the notes payable are as follows:

Years Ending June 30	Principal	Interest	Total Payments
2018	\$ 1,209,203	\$ 126,890	\$ 1,336,093
2019	1,232,409	103,684	1,336,093
2020	1,256,061	80,032	1,336,093
2021	1,280,166	55,927	1,336,093
2022	1,304,734	31,359	1,336,093
2023	661,728	6,319	668,047
Total	<u>\$ 6,944,301</u>	<u>\$ 404,211</u>	<u>\$ 7,348,512</u>

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NOTE 12 — RISK MANAGEMENT

The College is exposed to various risks of loss and maintains State or commercial insurance coverage for each of those risks. Management believes such coverage is sufficient to preclude any significant uninsured losses for the covered risks. Settlement claims have not exceeded this coverage in any of the past three years.

The State of South Carolina believes it is more economical to manage certain risks internally and set aside assets for claim settlement. Several State funds accumulate assets and the State itself assumes substantially all the risk for the following claims of covered employees:

- Unemployment compensation benefits
- Worker's compensation benefits for job-related illnesses or injuries
- Health and dental insurance benefits
- Long-term disability and group-life insurance benefits

Employees elect health insurance coverage through either a health maintenance organization or through the State's self-insured plan. The costs recognized by the College are disclosed in *Note 7*.

Premium expenses during the year ended June 30, 2017, were paid as follows:

<u>Expense</u>	<u>Amount</u>
Insurance reserve fund	\$ 268,085
Tort liability	151,314
Student accident insurance	8,377
Student organization liability	5,417
State accident fund (student apprentice)	25,370
Total	<u>\$ 458,563</u>

The College and other entities pay premiums to the State's Insurance Reserve Fund ("IRF"), which issues policies, accumulates assets to cover the risk of loss, and pays claims incurred for covered losses relating to the following activities:

- Theft, damage to, or destruction of assets
- Real property, its contents, and other equipment
- Motor vehicles and watercraft
- Torts
- Natural disasters
- Medical malpractice claims against the infirmary

The IRF is a self-insurer and purchases reinsurance to obtain certain services and to limit losses in certain areas. The IRF's rates are determined actuarially.

The College obtains coverage through a commercial insurer for employee fidelity bond insurance for all employees for losses arising from theft or misappropriation and also for student accident insurance.

NOTE 13 — OPERATING EXPENSES BY FUNCTION

Operating expenses by functional classification for the year ended June 30, 2017 are summarized as follows:

	<u>Salaries</u>	<u>Benefits</u>	<u>Supplies/Other</u>	<u>Scholarships</u>	<u>Utilities</u>	<u>Depreciation</u>	<u>Total</u>
Instruction	\$ 26,782,288	\$ 8,621,059	\$ 4,443,295	\$ -	\$ -	\$ -	\$ 39,846,642
Academic Support	4,638,284	1,836,454	2,411,891	-	-	-	8,886,629
Student Services	6,483,807	2,201,387	2,551,034	-	-	-	11,236,228
Oper & Maint Plant	3,116,424	941,849	3,038,645	-	3,122,959	-	10,219,877
Institutional Support	6,608,482	3,614,167	3,569,255	-	-	-	13,791,904
Scholarships	-	-	-	17,138,048	-	-	17,138,048
Auxiliary Enterprises	584,378	197,008	6,470,707	-	134,894	-	7,386,987
Depreciation	-	-	-	-	-	6,771,245	6,771,245
	<u>\$ 48,213,663</u>	<u>\$ 17,411,924</u>	<u>\$ 22,484,827</u>	<u>\$ 17,138,048</u>	<u>\$ 3,257,853</u>	<u>\$ 6,771,245</u>	<u>\$115,277,560</u>

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**NOTE 14 — TRANSACTIONS WITH
DISCRETELY PRESENTED
COMPONENT UNIT**

The Foundation's programs and services to support the College included student scholarships, tuition assistance/ credit course reimbursement programs for College employees, mini-grant program support, the Student Emergency Grant Fund, and awards and prizes for College students, faculty and staff. During the fiscal year ended June 30, 2017, program expenses totaled \$1,691,068.

In April 2017, the College entered into a revised cooperative agreement with the Foundation signed by the Chairman of the College's governing board and the Chairman of the Foundation's board. This agreement can be terminated by either party with a six month written notice. The agreement is intended to preserve the status of the Foundation as an independent contractor and does not create any agency relationship between the Foundation and the College. The Foundation has agreed to reimburse the College for office

space, personnel and other related expenses, with annual adjustments. The Foundation also provides a stipend to supplement the salary of the President of the College.

The Foundation concluded a capital campaign with the goal of raising funds for the College during the year ended June 30, 2013. Donors restricted the funds for scholarships, equipment and technology. The Foundation committed to pay a total of \$2,000,000 for Virtual Desktop Infrastructure ("VDI") to the College over a five year period contingent upon timing of pledge payment collections. Payments of \$400,000 have been made in May of each of the years ended June 30, 2017, 2016, 2015, 2014 and 2013. At June 30, 2017, the commitment was paid in full.

At June 30, 2017 and 2016, the Foundation owed the College \$71,714 and \$232,053, respectively, as reimbursement for expenses paid by the College. These amounts are included in accounts payable and accrued expenses in the Foundation's Statements of Financial Position.

NOTE 15 — ENTERPRISE CAMPUS AUTHORITY

The following table presents condensed financial information as of June 30, 2017, for the College and its blended component unit, the Enterprise Campus Authority.

Condensed Summary of the Statement of Net Position

	Enterprise Campus Authority	Trident Technical College	Total
Current assets	\$ 16,148	\$ 65,645,589	\$ 65,661,737
Non-current assets			
Capital assets, net of depreciation	-	100,313,810	100,313,810
Deferred outflows	-	15,365,854	15,365,854
Total assets & deferred outflows	16,148	181,325,253	181,341,401
Current liabilities	-	9,799,077	9,799,077
Non-current liabilities	-	104,919,144	104,919,144
Deferred inflows	-	4,526,451	4,526,451
Total liabilities & deferred inflows	-	119,244,672	119,244,672
Net assets			
Invested in capital assets	-	93,314,713	93,314,713
Restricted for expendable:			
Capital projects	-	22,837,927	22,837,927
Unrestricted	-	(54,072,059)	(54,072,059)
Enterprise Campus Authority	16,148	-	16,148
Total net position	\$ 16,148	\$ 62,080,581	\$ 62,096,729

The blended component unit did not have any revenue, expense or cash activities during the fiscal year ended June 30, 2017. Therefore, no condensed information is presented for revenues, expenses, or changes in net position.

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NOTE 16 — STATE APPROPRIATIONS

State funds for the South Carolina Technical College System are appropriated to the State Board for Technical and Comprehensive Education (the “Board”) and the Board allocates funds budgeted for the technical colleges. The following is a detailed schedule of State appropriations revenue reported in the financial statements for the fiscal year ended June 30, 2017.

Non-capital appropriations

Appropriations per State Board allocation	\$ 16,499,315
Allocation-general increase, health & dental and retirement	478,821
Critical needs workforce (STEM)	421,382
Workforce pathways (STEM)	195,184
Special line item - culinary institute	468,522
Pathways to prosperity	56,803
Critical needs nursing initiative	37,643
Special items Proviso 118.16 critical equipment (SCATC)	1,624,725
Lottery critical training equipment (SCATC)	325,470
Lottery technology - repair and replacement	603,459
Lottery technology - equipment	112
Aeronautical training	22,349
System outreach initiative	9,417
Total non-capital appropriations recorded as current year revenue	<u>\$ 20,743,202</u>

Capital appropriations

Capital reserve funds (SCATC)	\$ 3,353,524
Total capital appropriations recorded as current year revenue	<u>\$ 3,353,524</u>

**NOTE 17 — TRANSACTIONS WITH
OTHER AGENCIES**

The College had certain transactions with the State of South Carolina and various agencies. Services received at no cost from State agencies include banking and bond trustee services from the State Treasurer. Other services received at no cost from the various offices of the State Fiscal Accountability Authority include pension plan administration, insurance plans administration, audit services, grant services, personnel management, assistance in the preparation of the State Budget, review and approval of certain budget amendments, procurement services, and other centralized functions.

NOTE 18 — TAX ABATEMENTS

Berkeley County abated property taxes totaling \$188,755 as a result of Berkeley County’s Economic Development program in accordance with the County’s Fee-in-Lieu/ Multi-County Park ordinance.

Charleston County entered into negotiated Fee-In-Lieu-of-Tax agreements and also provides special source revenue credits. For tax year 2016, abated taxes totaled \$559,599.

Trident Technical College’s tax revenues (Dorchester County 3.5 mills) were reduced by \$129,727 for the fiscal year ended June 30, 2017 as a result of tax abatement agreements entered into by Dorchester County.

NOTE 19 — SUBSEQUENT EVENTS

Subsequent events were evaluated through September 29, 2017, which is the date the financial statements were available for issue. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required.

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**Required Supplementary Information
Schedule of the College's Proportionate
Share of the Net Pension Liability
Last Four Fiscal Years***

	South Carolina Retirement System			
	2017	2016	2015	2014
College's proportion of the net pension liability	0.437458%	0.466610%	0.464559%	0.464559%
College's proportionate share of the net pension liability	\$ 93,440,383	\$ 88,494,837	\$ 79,981,659	\$ 83,325,313
College's covered payroll during the measurement period	\$ 45,732,584	\$ 41,383,845	\$ 39,582,152	\$ 38,962,301
College's proportionate share of the net pension liability as a percentage of its covered-employee payroll	204.32%	213.84%	202.06%	213.86%
Plan fiduciary net position as a percentage of the total pension liability	52.91%	56.99%	59.90%	56.39%

	South Carolina Police Officers Retirement System			
	2017	2016	2015	2014
College's proportion of the net pension liability	0.096120%	0.109250%	0.118360%	0.118360%
College's proportionate share of the net pension liability	\$ 2,438,085	\$ 2,381,078	\$ 2,265,897	\$ 2,453,550
College's covered payroll during the measurement period	\$ 1,225,410	\$ 1,399,059	\$ 1,458,357	\$ 1,350,412
College's proportionate share of the net pension liability as a percentage of its covered-employee payroll	198.96%	170.19%	155.37%	181.69%
Plan fiduciary net position as a percentage of the total pension liability	60.44%	64.57%	67.55%	62.98%

Note:

* Information for prior fiscal years is not available.

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**Required Supplementary Information
Schedule of the College's Contributions
Last Five Fiscal Years***

South Carolina Retirement System					
	2017	2016	2015	2014	2013
Contractually required contribution	\$ 4,262,962	\$ 4,685,230	\$ 4,768,786	\$ 4,470,650	\$ 4,030,128
Contributions in relation to the contractually required contribution	4,262,962	4,685,230	4,768,786	4,470,650	4,030,128
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
College's covered-employee payroll	\$ 44,366,898	\$ 45,732,584	\$ 41,383,845	\$ 39,582,152	\$ 38,962,301
Contributions as a percentage of covered-employee payroll	9.61%	10.24%	11.52%	11.29%	10.34%

South Carolina Police Officers Retirement System					
	2017	2016	2015	2014	2013
Contractually required contribution	\$ 174,152	\$ 168,371	\$ 181,497	\$ 182,785	\$ 162,524
Contributions in relation to the contractually required contribution	174,152	168,371	181,497	182,785	162,524
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
College's covered-employee payroll	\$ 1,222,976	\$ 1,225,410	\$ 1,399,059	\$ 1,458,357	\$ 1,350,412
Contributions as a percentage of covered-employee payroll	14.24%	13.74%	12.97%	12.53%	12.04%

Note:

* Information for prior fiscal years is not available.

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**Schedule of Reconciliation of Revenues and Cash
Reimbursements Received from State Board
For the Year Ended June 30, 2017**

Schedule 1
Page 1 of 2

	State Sub Fund Code	Amount
<u>Net reimbursements requested per College records</u>		
Appropriations	1001	\$ 16,978,136
Pathways to prosperity	1001	37,784
Critical needs nursing	1001	37,643
Lottery tuition assistance	43B1	8,317,430
ReadySC project reimbursements	3634	660,751
ReadySC project reimbursements	1001	618,190
Capital reserve funds	36038	3,353,524
Culinary arts allocation	1001	468,522
STEM (critical needs workforce)	1001	421,382
Special items critical equipment (SCATC)	1001	1,624,725
Workforce pathways (STEM)	1001	195,184
Career Workforce (CE scholarships)	43B1	771,453
Critical training equipment (SCATC)	43B1	325,470
Procurement card rebate	3805	11,503
System outreach initiative	1001	8,750
Apprenticeship initiative	5055	29,467
Other	1001	1,154
Total reimbursement requests		<u>\$ 33,861,068</u>

Reconciliation of receipts to requests

Cash Received

Appropriations	1001	\$ 16,978,136
Pathways to prosperity	1001	37,784
Critical needs nursing	1001	37,643
Lottery tuition assistance	43B1	8,048,583
ReadySC project reimbursements	3634	672,107
ReadySC project reimbursements	1001	671,474
Capital reserve funds	36038	1,674,651
Culinary arts allocation	1001	468,522
STEM (critical needs workforce)	1001	421,382
Special items critical equipment (SCATC)	1001	1,624,725
Workforce pathways (STEM)	1001	195,184
Career Workforce (CE scholarships)	43B1	771,453
Critical training equipment (SCATC)	43B1	325,470
Procurement card rebate	3805	11,503
System outreach initiative	1001	8,750
Apprenticeship initiative	5055	29,467
Other	1001	1,154
Total cash received		<u>31,977,988</u>

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**Schedule of Reconciliation of Revenues and Cash
Reimbursements Received from State Board
For the Year Ended June 30, 2017**

Schedule 1
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	State Sub Fund Code	Amount
<u>Deduct Reimbursements Receivable at June 30, 2016</u>		
Capital reserve funds	36038	4,765
ReadySC project reimbursements	3634	11,356
ReadySC project reimbursements	1001	55,555
Total		<u>71,676</u>
<u>Add Reimbursements Receivable at June 30, 2017</u>		
Capital reserve funds	36038	1,683,638
Lottery tuition assistance	43B1	268,847
ReadySC project reimbursements	1001	2,271
Total		<u>1,954,756</u>
Total reimbursement requests		<u>\$ 33,861,068</u>

Trident Technical College
Comprehensive Annual Financial Report

**Schedule of Current Funds Expenses and
Other Disbursements by Function
For the Year Ended June 30, 2017**

Schedule 2
Page 1 of 8

	Salaries	Expenses and Other Disbursements	Total
<u>UNRESTRICTED CURRENT EXPENSES AND OTHER DISBURSEMENTS</u>			
INSTRUCTION			
Academic Printing	\$ -	\$ 15,848	\$ 15,848
Accounting	356,091	121,301	477,392
Advisory Committees	-	1,832	1,832
Air Conditioning/Refrigeration	131,550	69,661	201,211
Aircraft Maintenance	353,321	187,528	540,849
Aircraft Manufacturing	135,173	80,812	215,985
Automation and Instrumentation	135,792	45,802	181,594
Automotive Technology	201,743	94,869	296,612
Avionics	47,111	21,653	68,764
Basic Construction Trades	72,564	22,743	95,307
Behavioral/Social Sciences	852,922	283,529	1,136,451
Biological Sciences	1,497,504	587,756	2,085,260
Business Technology	754,581	254,761	1,009,342
Civil Engineering Technology	108,944	51,072	160,016
Construction and Industrial	106,844	54,269	161,113
Cosmetology	347,528	143,840	491,368
Criminal Justice	407,324	134,845	542,169
Dental Hygiene	286,665	107,620	394,285
Distance Learning	295,185	128,240	423,425
Early Childhood Development	268,913	94,026	362,939
Electrical Line Worker Program	71,528	39,563	111,091
Electronics Engineering Technology	247,086	119,010	366,096
Emergency Medical Technology	197,609	57,920	255,529
English and Journalism	1,559,217	525,366	2,084,583
Environmental Sciences	-	4,648	4,648
Esthetics	-	40,312	40,312
Expanded Duty Dental Assisting	118,802	50,494	169,296
Film Production	187,160	114,895	302,055
Fitness Specialist Program	107,053	46,581	153,634
Green and Sustainability	-	561	561
Health Information Management	65,177	21,208	86,385
History/Humanity/Political	1,188,129	380,138	1,568,267
Horticultural Technologies	95,703	71,433	167,136
Hospitality/Tourism	910,221	639,969	1,550,190
Human Services	240,899	84,791	325,690
Industrial Drafting	154,328	54,215	208,543
Industrial Maintenance	150,200	50,505	200,705
Information Systems	735,287	241,509	976,796
International Education	-	1,539	1,539
Machine Tool Technology	73,284	33,349	106,633
Massage Therapy	7,350	1,855	9,205
Mathematics	1,574,854	537,405	2,112,259
Mechanical Engineering	7,128	8,664	15,792
Medical Laboratory Technology	202,859	129,320	332,179
Medical Office Assisting	82,204	35,283	117,487
Medical Records Coder	2,562	380	2,942

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**Schedule of Current Funds Expenses and
Other Disbursements by Function
For the Year Ended June 30, 2017**

Schedule 2
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	Salaries	Expenses and Other Disbursements	Total
INSTRUCTION (CONTINUED)			
Nails	\$ -	\$ 6,729	\$ 6,729
Network Systems Management	363,452	143,960	507,412
Nursing	2,383,618	857,679	3,241,297
Occupational Therapy	137,895	54,172	192,067
Office Information Technology	141,752	44,343	186,095
Ophthalmic Clinical Assistant	-	336	336
Paralegal/Legal Assistance	119,951	43,895	163,846
Pharmacy Technician	47,776	16,242	64,018
Physical Science-General	830,310	284,837	1,115,147
Physical Therapy	196,123	82,647	278,770
Radio/TV Broadcasting	260,276	94,218	354,494
Radiologic Technology	18,772	8,853	27,625
Respiratory Care	156,130	44,318	200,448
Speech-Foreign Languages	429,436	147,279	576,715
The Learning Center	1,163,655	379,501	1,543,156
Veterinary Technology	172,228	106,604	278,832
Visual Arts	523,940	201,486	725,426
Welding Technology	122,628	108,535	231,163
Aeronautical Training	693,111	305,335	998,446
Corporate & IT Training	280,590	384,308	664,898
Healthcare	710,767	265,911	976,678
Manufacturing, Industrial and Construction Trades	445,978	229,292	675,270
Offsite Programs	213,080	73,106	286,186
Personal Enrichment & Special Projects	250,963	144,916	395,879
Networking Services – Academic	-	546,042	546,042
Network Services - Software Labs	77,964	699,632	777,596
Workers Compensation for Student Apprentices	-	25,370	25,370
Instructional Costs Allocated	1,634,759	1,041,931	2,676,690
Total Instruction	\$ 25,713,549	\$ 12,134,397	\$ 37,847,946
ACADEMIC SUPPORT			
Accreditations	\$ -	\$ 56,301	\$ 56,301
Achieving The Dream	-	8,820	8,820
Assoc Dean – Palmer	69,641	29,451	99,092
Berkeley Campus	213,285	66,982	280,267
Center for Information Technology Training	303,016	112,332	415,348
Center for Teaching Support	244,288	92,583	336,871
Continuing Education-Administrative Support	446,104	241,385	687,489
Dean-Aeronautical Studies	102,389	37,601	139,990
Dean-Allied Health	286,212	99,914	386,126
Dean-Business Technology	355,640	109,218	464,858
Dean-Community Family Child Services	116,355	42,181	158,536
Dean-Developmental Studies	109,062	32,983	142,045
Dean-Film, Media & Visual Arts	191,776	97,577	289,353
Dean-Hospitality	142,191	85,177	227,368
Dean-Humanities & Social Sciences	181,748	64,710	246,458

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	Salaries	Expenses and Other Disbursements	Total
ACADEMIC SUPPORT (CONTINUED)			
Dean-Industrial Engineering Technology	\$ 195,887	\$ 65,242	\$ 261,129
Dean-Law Related Studies	232,533	80,932	313,465
Dean-Nursing	254,883	84,713	339,596
Dean-Science & Mathematics	230,367	146,902	377,269
Director of Apprenticeship Programs	88,038	34,773	122,811
Foundation Mini Grants	-	38,263	38,263
I.T.F.S	-	6,394	6,394
Instruction	96,646	110,056	206,702
Library Assets	-	119,225	119,225
Library Operations-Main	728,912	336,983	1,065,895
Media Services	-	3,055	3,055
Palmer Campus	239,397	111,064	350,461
Professional Development- Academics Affairs	-	108,808	108,808
Professional Development- Continuing Education	-	16,668	16,668
The HUB - Orientation Services	229,046	85,729	314,775
TTC Green Initiative	-	515	515
VP Continuing Education Allocated Costs	-	319	319
VP-Continuing Education	220,173	66,319	286,492
Academic Support- Allocated Costs	(810,456)	193,993	(616,463)
Total Academic Support	\$ 4,467,133	\$ 2,787,168	\$ 7,254,301
STUDENT SERVICES			
Access & Equity	\$ -	\$ 4,462	\$ 4,462
ADA	71,692	103,353	175,045
Admissions	570,489	217,110	787,599
Assistant Vice President Special Projects	84,902	36,212	121,114
Assistant Vice President Student Services	93,142	46,978	140,120
Career Planning	39,983	24,742	64,725
Cooperative Education	19,845	7,031	26,876
Counseling	275,667	102,547	378,214
Dean - Enrollment Management	25,872	28,232	54,104
Dean - Student Development	122,120	39,706	161,826
Financial Aid	1,108,322	419,135	1,527,457
Marketing Services	590,508	1,545,805	2,136,313
Professional Development- Student Services	-	42,711	42,711
QUEST	-	6,120	6,120
Recruiting	253,374	160,144	413,518
Registrars Office	650,135	276,659	926,794
Student Activities	126,347	123,078	249,425
Student Affairs- Institutional Work Study	21,221	-	21,221
Student Success - Berkeley	126,472	44,984	171,456
Student Success -Palmer	169,028	59,695	228,723
Testing Services	276,744	191,757	468,501
Student Support- Allocations	262,552	395,712	658,264
Total Student Services	\$ 4,888,415	\$ 3,876,173	\$ 8,764,588

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**Schedule of Current Funds Expenses and
Other Disbursements by Function
For the Year Ended June 30, 2017**

Schedule 2
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	Salaries	Expenses and Other Disbursements	Total
MAINTENANCE AND OPERATIONS			
Plant Maintenance- Main	\$ 1,240,192	\$ 5,356,261	\$ 6,596,453
Plant Maintenance- Berkeley	84,613	373,484	458,097
Plant Maintenance- Palmer	108,098	592,484	700,582
Plant Maintenance- Mt Pleasant	123,230	96,531	219,761
Plant Maintenance- Offsite Facilities	-	71,189	71,189
Emergency Clean Up	831	93,458	94,289
Environment & Health	-	28,858	28,858
Equipment & Supply Control	148,167	63,577	211,744
Grounds Maintenance	-	154,455	154,455
Inventory Control/Signage	-	25,839	25,839
Public Safety- Main	1,455,824	769,979	2,225,803
Plant Operations - Allocations	(44,531)	(96,027)	(140,558)
Total Maintenance and Operations	\$ 3,116,424	\$ 7,530,088	\$ 10,646,512
INSTITUTIONAL SUPPORT			
Advancement-Global Opportunity	\$ 47,243	\$ 16,164	\$ 63,407
Area Commission	-	41,333	41,333
Business Office-Main	55,513	41,208	96,721
Business Office-Palmer	33,125	21,291	54,416
Development	502,572	220,190	722,762
Ellucian Consulting	-	106,609	106,609
Federal Work Study Matching	82,358	20,921	103,279
Financial Affairs	762,287	401,185	1,163,472
General Institutional Expense	(1,276)	2,302,809	2,301,533
Graduation	-	39,213	39,213
Human Resources Services	451,457	240,189	691,646
Indirect Cost Recovery	-	(131,460)	(131,460)
Information Services	516,479	196,192	712,671
Institutional Research	276,630	141,415	418,045
Insurance	-	434,684	434,684
Motor Vehicles	-	58,904	58,904
Motor Vehicles-Allocations	-	(50,973)	(50,973)
Networking Services	1,435,597	1,061,503	2,497,100
Planning & Accreditation	157,110	63,921	221,031
Postage & Freight	-	94,622	94,622
Postage Allocated	-	(76,998)	(76,998)
President's Contingency Fund	18,655	7,176	25,831
President's Office	441,441	153,948	595,389
President's Office Allocated Costs	-	50	50
Print Shop	126,106	313,722	439,828
Print Shop Allocated	-	(150,369)	(150,369)
Procurement and Risk Management	236,996	176,252	413,248
Professional Development - Advancement	-	12,603	12,603
Professional Development - AVP	-	2,654	2,654
Professional Development - Finance & Administration	-	32,265	32,265

Trident Technical College
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**Schedule of Current Funds Expenses and
Other Disbursements by Function
For the Year Ended June 30, 2017**

Schedule 2
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	Salaries	Expenses and Other Disbursements	Total
INSTITUTIONAL SUPPORT (CONTINUED)			
Professional Development - Planning	\$ -	\$ 5,872	\$ 5,872
Professional Development - President	-	118,359	118,359
Professional Development- Information Technology	-	16,734	16,734
SACS Accreditation	-	6,739	6,739
SOS Operations Administration	398,281	921,209	1,319,490
Telephone- Administration	35,100	19,490	54,590
Telephone- Main	69,266	748,572	817,838
Telephone Costs Allocated	-	(817,840)	(817,840)
Title - IX	-	132	132
Web Services	251,504	135,629	387,133
VP - Academic Affairs	803,512	271,929	1,075,441
VP - Academic Affairs Allocated Costs	-	70,455	70,455
VP - Advancement	241,241	91,280	332,521
VP - Advancement Allocated Costs	-	784	784
VP - Finance & Administration	364,954	102,813	467,767
VP - Finance Allocated Costs	-	2,707	2,707
VP - Information Technology	192,483	56,062	248,545
VP - Information Technology Allocated Costs	-	267	267
VP - Student Services	270,334	121,494	391,828
VP - Student Services Allocated Costs	-	22,563	22,563
Institutional Support- Allocations	(1,160,485)	(1,485,504)	(2,645,989)
Total Institutional Support	\$ 6,608,483	\$ 6,200,969	\$ 12,809,452
STUDENT FINANCIAL ASSISTANCE			
Remissions & Exempt	\$ -	\$ 1,156,021	\$ 1,156,021
Total Education & General	\$ 44,794,004	\$ 33,684,816	\$ 78,478,820
AUXILIARY ENTERPRISES			
Bookstore – Operating Overhead	333,617	297,657	631,274
Bookstore – Purchases for Resale	-	5,529,735	5,529,735
Auxiliary – Facilities Rentals	163,740	599,141	762,881
Auxiliary Other – Inst Expense	-	1,495	1,495
Auxiliary Expenditures – President	-	124,709	124,709
Auxiliary Services – Allocations	87,021	240,640	327,661
Total Auxiliary Enterprises	584,378	6,793,377	7,377,755
Total Unrestricted Current Expenses and Other Disbursements	\$ 45,378,382	\$ 40,478,193	\$ 85,856,575

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Comprehensive Annual Financial Report

**Schedule of Current Funds Expenses and
Other Disbursements by Function
For the Year Ended June 30, 2017**

Schedule 2
Page 6 of 8

	Salaries	Expenses and Other Disbursements	Total
<u>RESTRICTED CURRENT EXPENDITURES AND OTHER DISBURSEMENTS</u>			
INSTRUCTION			
State Programs			
Culinary Institute of Charleston – State Allocation	\$ 345,773	\$ 122,749	\$ 468,522
Critical Needs Workforce Allocation	421,382	-	421,382
Indie Grants Production Fund Film Project	57,808	124,241	182,049
SC Critical Needs Nursing Allocation	37,643	-	37,643
Workforce Pathways STEM +	195,184	-	195,184
Other Programs			
TTC Foundation – Boeing Equipment Grant	-	6,000	6,000
TTC Foundation – English Department Royalty	10,950	2,830	13,780
TTC Foundation – Palmetto Warrior Connect	-	792	792
Total Instruction	\$ 1,068,740	\$ 256,612	\$ 1,325,352
ACADEMIC SUPPORT			
State Programs			
Pathways to Prosperity	\$ 22,941	\$ 33,862	\$ 56,803
Federal Programs			
Career & Technical Education – Basic Grants to States	1,592	736,772	738,364
National Science Foundation - Cloud Tech	37,311	105,994	143,305
Perkins	-	6,394	6,394
Southeastern Advanced Cybersecurity Ed Consortium Project	2,897	32,205	35,102
Teacher Education Assistance for College & Higher Ed Grant	-	7,586	7,586
TITLE III – TTC Pathways	29,694	61,128	90,822
Trade Adjustment Assistance & Career Training Program	33,689	9,286	42,975
Other Programs			
Boeing – Science, Tech, Engineering & Manufacturing Grant (STEM)	1,157	755	1,912
Achieving the Dream – iPass	40,974	18,568	59,542
Google – CS4HS	-	6,350	6,350
Other Restricted	-	17,617	17,617
SCE&G Career Enhancement Init	-	29,956	29,956
System Outreach Initiative	-	9,417	9,417
TTC Foundation – Bosch Business Tech Fund	-	5,990	5,990
TTC Foundation – Clemente Project	895	4,317	5,212
TTC Foundation – Mini-Grants	-	70,000	70,000
TTC Foundation – Steinberg Library	-	158,135	158,135
Total Academic Support	\$ 171,150	\$ 1,314,332	\$ 1,485,482

Trident Technical College
Comprehensive Annual Financial Report

**Schedule of Current Funds Expenses and
Other Disbursements by Function
For the Year Ended June 30, 2017**

Schedule 2
Page 7 of 8

	Salaries	Expenses and Other Disbursements	Total
STUDENT SERVICES			
State Programs			
Lottery Technology – VP Student Services	\$ -	\$ 112	\$ 112
Federal Programs			
Federal Work-Study Program	507,459	53	507,512
TRIO - Educational Opportunity Center	367,203	215,315	582,518
TRIO - Educational Talent Search	236,083	160,370	396,453
TRIO - Scholars Network	206,591	102,399	308,990
TRIO - Upward Bound Math & Science	104,070	134,349	238,419
TRIO - Veteran's Upward Bound	158,833	82,142	240,975
Other Programs			
Call Me MISTER Program	3,250	910	4,160
US Air Force Medical Service Dental Hygiene Training	4,725	5,394	10,119
TTC Foundation - Bosch - Upward Bound Math and Science	7,178	8,770	15,948
TTC Foundation - Google (Quest 2013)	-	5,157	5,157
Total Student Services	1,595,392	714,971	2,310,363
MAINTENANCE AND OPERATIONS			
State Programs			
Aeronautical - State Allocation	-	22,349	22,349
EDA Grant	-	329,721	329,721
Other Restricted	-	2,880	2,880
Ready SC – Boeing	-	3,490	3,490
Ready SC – Diamler Upfit	-	848,145	848,145
Ready SC – Mercedes Training Center IT	-	206,882	206,882
Total Maintenance and Operations	-	1,413,467	1,413,467
INSTITUTIONAL SUPPORT			
State Programs			
Lottery Technology - Repair & Replacement	-	603,459	603,459
Total Institutional Support	\$ -	\$ 603,459	\$ 603,459

Trident Technical College
Comprehensive Annual Financial Report

**Schedule of Current Funds Expenses and
Other Disbursements by Function
For the Year Ended June 30, 2017**

Schedule 2
Page 8 of 8

	Salaries	Expenses and Other Disbursements	Total
STUDENT FINANCIAL ASSISTANCE			
State Programs			
SC Career Workforce Pathway	\$ -	\$ 856,558	\$ 856,558
SC Life Scholarship Program	-	2,353,117	2,353,117
SC Lottery Tuition Assistance Program	-	8,865,407	8,865,407
SC National Guard Civil Air Patrol Scholarship	-	62,604	62,604
SC Needs Based Grant	-	1,206,523	1,206,523
Federal Programs			
Career & Technical Education - Basic Grants to States	-	905	905
Federal Direct Student Loans	-	25,110,420	25,110,420
Federal Family Education Loan Program	-	546,859	546,859
Federal Pell Grant Program	-	21,471,334	21,471,334
Federal Supplemental Educational Opportunity Grants	-	519,540	519,540
SCAI	-	29,467	29,467
TRIO - Student Support Services - Scholars Network	-	6,000	6,000
TRIO - Upward Bound Math & Science	-	14,638	14,638
TRIO - Veteran's Upward Bound	-	9,707	9,707
Other Programs			
TTC Foundation - Palmetto Warrior Connect	-	24,138	24,138
TTC Foundation - Miscellaneous Scholarships	-	323,794	323,794
TTC Foundation - Wells Fargo (CE)	-	40,000	40,000
US Air Force Medical Service Dental Hygiene Training	-	17,719	17,719
Total Student Financial Assistance	-	61,458,730	61,458,730
Total Restricted Current Expenses and Other Disbursements	\$ 2,835,282	\$ 65,761,571	\$ 68,596,853
Total Current Funds Expenses and Other Disbursements	\$ 48,213,664	\$ 106,239,764	\$ 154,453,428

Trident Technical College
Comprehensive Annual Financial Report

**Schedule of Current Funds Expenses
and Other Disbursements by Object
For the Year Ended June 30, 2017**

Schedule 3
Page 1 of 4

	Unrestricted	Restricted	Total
SALARIES			
Classified - Positions	\$ 16,912,765	\$ 1,017,327	\$ 17,930,092
Unclassified - Positions	22,480,661	-	22,480,661
Reimbursed Salary	(1,102,652)	1,014,224	(88,428)
Classified-Temporary	2,005,899	244,299	2,250,198
Overtime And Shift Differential	187,989	-	187,989
Faculty Overload	307,881	-	307,881
Instructor - Part Time	3,698,054	37,098	3,735,152
Student Earnings-College Work Study	-	507,458	507,458
Student Earnings-Institutional Work Study	178,755	-	178,755
Dual Employment	166,170	5,531	171,701
Lump Sum Bonus	14,390	9,345	23,735
Terminal Leave	528,470	-	528,470
Total Salaries	\$ 45,378,382	\$ 2,835,282	\$ 48,213,664
BENEFITS			
State Retirement	\$ 6,898,167	\$ 180,503	\$ 7,078,670
Retirement-Police Officers	160,790	-	160,790
Optional Retirement	365,704	8,871	374,575
Retirement - Retired Employees	645,264	4,581	649,845
Social Security	3,415,324	96,229	3,511,553
Workmen's Compensation Insurance	307,741	8,715	316,456
Unemployment Comp. Insurance	5,235	175	5,410
Health Insurance	3,872,644	105,966	3,978,610
Dental Insurance	98,636	3,527	102,163
Reimbursed Fringe	(128,093)	128,093	-
Total Benefits	\$ 15,641,412	\$ 536,660	\$ 16,178,072
CONTRACTED SERVICES			
Auditing, Accounting, Financial	\$ 32,250	\$ -	\$ 32,250
Auxiliary	68,841	-	68,841
Book Processing Fees	372	-	372
Catered Meals	13,253	6,489	19,742
Collections Expenses	893,185	-	893,185
College Net Fees	31,739	-	31,739
Communications Equipment Repair	52,690	-	52,690
Consultants-Continuing Education Instruction	379,860	-	379,860
Credit Card Processing	248,598	-	248,598
Data Processing Services	2,958,381	66,609	3,024,990
Education and Training - Non State	7,543	1,367	8,910
Freight-Express Delivery	1,515	-	1,515
Janitorial & Security	1,343,217	-	1,343,217
General Repair	284,133	-	284,133
Legal Services	914	-	914

Trident Technical College
Comprehensive Annual Financial Report

**Schedule of Current Funds Expenses
and Other Disbursements by Object
For the Year Ended June 30, 2017**

Schedule 3
Page 2 of 4

	Unrestricted	Restricted	Total
CONTRACTED SERVICES (CONTINUED)			
Medical And Health Services	5,321	-	5,321
Nelnet Credit Card Processing Fee	29,044	-	29,044
Non-State Travel	17,884	32,433	50,317
Other Contractual	1,580,546	209,677	1,790,223
Other Professional	131,860	2,894	134,754
Per Diem	1,785	-	1,785
Printing, Binding, Advertising	1,340,160	3,255	1,343,415
Rental Vehicles	(13)	-	(13)
Student Workers Compensation	25,370	-	25,370
Telecommunications	3,720	-	3,720
Telephone & Telegraph	21,642	-	21,642
Temporary Services	258,608	-	258,608
Unreimbursed Grant Expenses	9,986	-	9,986
Utilities	3,257,853	2,880	3,260,733
Total Contracted Services	\$ 13,000,257	\$ 325,604	\$ 13,325,861
SUPPLIES AND MATERIALS			
Agricultural, Marine, Forestry	\$ 16,041	\$ -	\$ 16,041
Auxiliary Supplies	55,868	-	55,868
Building Construction & Renovation Supplies	19,462	-	19,462
Classroom Materials	11,404	391	11,795
Clothing Supplies	45,017	852	45,869
Communication Supplies	44	-	44
Data Processing Supplies	446,041	168,979	615,020
Education Supplies	262,610	74,797	337,407
Food Supplies	208,563	3,977	212,540
Instructional Materials	43,892	2,708	46,600
Library Books/Maps/Film	118,852	-	118,852
Maintenance Supplies	36,417	-	36,417
Miscellaneous Charges	2,200	-	2,200
Motor Vehicle Supplies	29,812	-	29,812
Munitions-Targets & Law Enforcement	2,262	-	2,262
Office Supplies	89,071	179,757	268,828
Other Supplies	46,246	3,371	49,617
Parts - General Repairs	18,281	-	18,281
Photographic and Audio Visual	6,552	-	6,552
Pilferable Equipment	77,057	28,370	105,427
Postage	86,228	948	87,176
Printing-Commercial	(16,117)	10,073	(6,044)
Promotional Supplies	3,933	-	3,933
Publications, Books, Periodicals	329	1,095	1,424

Trident Technical College
Comprehensive Annual Financial Report

**Schedule of Current Funds Expenses
and Other Disbursements by Object
For the Year Ended June 30, 2017**

Schedule 3
Page 3 of 4

	Unrestricted	Restricted	Total
SUPPLIES AND MATERIALS (CONTINUED)			
Purchasing Card	\$ 1,571,953	\$ 55,792	\$ 1,627,745
Testing Supplies	49,665	-	49,665
Total Supplies and Materials	\$ 3,231,683	\$ 531,110	\$ 3,762,793
FIXED CHARGES			
Dues and Membership Fees	\$ 177,942	\$ 400	\$ 178,342
Fees and Fines	665	-	665
Insurance-State	434,685	-	434,685
Other Fixed Charges	6,886	-	6,886
Other Interest Charges	194	-	194
Rental - Data Processing	48,972	-	48,972
Rental - Photocopy Equipment	210,096	-	210,096
Total Fixed Charges	\$ 879,440	\$ 400	\$ 879,840
TRAVEL			
In-State Meals	\$ 3,579	\$ 750	\$ 4,329
In-State Lodging	24,392	3,092	27,484
In-State Private Auto Mileage	90,252	19,328	109,580
In-State Other Transportation	4,464	4,420	8,884
In-State Miscellaneous	2,181	65	2,246
In-State Registration	96,209	43,227	139,436
Non-Deductible Meals	222	47	269
Out-of-State Meals	10,131	4,451	14,582
Out-of-State Lodging	62,873	36,041	98,914
Out-of-State Air Transportation	24,583	11,852	36,435
Out-of-State Private Auto Mileage	14,271	873	15,144
Out-of-State Other Transportation	9,769	2,117	11,886
Out-of-State Miscellaneous	2,764	891	3,655
Out-of-State Registration	57,956	21,553	79,509
Foreign Miscellaneous	120	-	120
Total Travel	\$ 403,766	\$ 148,707	\$ 552,473
EQUIPMENT ACQUISITIONS			
Data Processing Equipment	\$ 15,991	\$ 345,021	\$ 361,012
Educational Equipment	-	397,275	397,275
Non-Capital Equipment	174,419	549,758	724,177
Office Equipment	6,104	-	6,104
Other Equipment	35,172	133,833	169,005
Total Equipment Acquisitions	\$ 231,686	\$ 1,425,887	\$ 1,657,573

Trident Technical College
Comprehensive Annual Financial Report

**Schedule of Current Funds Expenses
and Other Disbursements by Object
For the Year Ended June 30, 2017**

Schedule 3
Page 4 of 4

	Unrestricted	Restricted	Total
PERMANENT IMPROVEMENTS			
Renovations of Buildings/Additions	\$ 24,756	\$ 1,177,866	\$ 1,202,622
Total Permanent Improvements	\$ 24,756	\$ 1,177,866	\$ 1,202,622
PURCHASES FOR RESALE			
Auxiliary	485,590	-	485,590
Bookstore – Freight	91,691	-	91,691
Bookstore - New Books	4,615,982	-	4,615,982
Bookstore - Taxable Supplies	822,207	-	822,207
Bookstore - Used Books	(145)	-	(145)
Horticulture	1,741	-	1,741
Hospitality	23,566	-	23,566
Total Purchases for Resale	\$ 6,040,632	\$ -	\$ 6,040,632
STUDENT AID PROGRAMS			
Financial Aid Expense	543,472	60,459,597	61,003,069
Mandated Fee Waivers	609,821	-	609,821
Remission & Exemptions	2,728	-	2,728
Total Student Aid Programs	\$ 1,156,021	\$ 60,459,597	\$ 61,615,618
OTHER EXPENSES			
Indirect Cost - General Fund	-	24,246	24,246
Indirect Cost – Unrestricted	(131,460)	132,362	902
Trainee Tuition	-	891,315	891,315
Trainee Books	-	91,826	91,826
Stipends-Support Services	-	6,905	6,905
Stipends-Grant Reimbursements	-	9,087	9,087
Total Other Expenses	\$ (131,460)	\$ 1,155,741	\$ 1,024,281
Total Current Funds Expenses and Other Disbursements	\$ 85,856,575	\$ 68,596,854	\$ 154,453,429

Auxiliary Enterprises
Schedule of Revenues, Expenses and Other Allocations
(Excludes Scholarship Allowance)
For the Year Ended June 30, 2017

Schedule 4

	Bookstore	Percent of Revenue	Facilities Rentals	Percent of Revenue	Food Service	Auxiliary Expenditures	TOTAL
REVENUE							
New Books	\$ 5,908,034	84.2%	\$ -	-	\$ -	\$ -	\$ 5,908,034
Used Books	39,563	0.6%	-	-	-	-	39,563
Supplies	1,068,711	15.2%	-	-	-	-	1,068,711
Other	(917)	0.0%	-	-	97,328	-	96,411
Room Rental (Including Food)	-	-	688,022	87.9%	-	-	688,022
AV Equipment Rental and Services	-	-	94,539	12.1%	-	-	94,539
Total Revenue	7,015,391	100.0%	782,561	100.0%	97,328	-	7,895,280
Cost of Sales	5,529,735	78.8%	485,590	62.1%	-	-	6,015,325
Gross Profit	1,485,656	21.2%	296,971	37.9%	97,328	-	1,879,955
EXPENDITURES							
Salaries	383,104	5.5%	201,274	25.7%	-	-	584,378
Benefits	125,286	1.8%	62,490	8.0%	-	-	187,776
Contractual Services	286,613	4.1%	117,451	15.0%	-	70,336	474,400
Supplies and Materials	17,914	0.3%	27,384	3.5%	-	55,868	101,166
Fixed Charges	4,787	0.1%	2,954	0.4%	-	-	7,741
Travel	1,739	0.0%	174	0.0%	-	-	1,913
Equipment	506	0.0%	4,549	0.6%	-	-	5,055
Total Expenditures	819,949	11.7%	416,276	53.2%	-	126,204	1,362,429
Excess Revenue Over (Under) Expenditures	\$ 665,707	9.5%	\$ (119,305)	-15.2%	\$ 97,328	\$ (126,204)	\$ 517,526

**Statement of Changes in Unexpended Plant Fund
For the Year Ended June 30, 2017**

Schedule 5

	<u>TOTAL</u>
Revenues	
Capital fees in excess of debt service requirements	\$ 2,692,974
TTC Foundation contributions	400,000
County capital appropriations	1,296,252
Capital Reserve - Aeronautical Training Center	3,353,524
State Appropriations - Aeronautical Training Center	1,950,195
Total revenue	<u>\$ 9,692,945</u>
Expenses	
Capital Projects	<u>4,496,994</u>
Net Increase	\$ 5,195,951
Net Position-beginning of year	<u>17,641,976</u>
Net Position-end of year	<u>\$ 22,837,927</u>

**Schedule of Capital Project Balances
For the Year Ended June 30, 2017**

Schedule 6

PROJECTS	Project Balance June 30, 2016	Deductions Buildings	Deductions Equipment	Deductions Other	Budget Allocations	Project Balance June 30, 2017
Bldg 950 Renovation	\$ 654,260	\$ 215,440	\$ -	\$ -	\$ -	\$ 438,820
Parking Expansion - Main	30,246	-	-	-	-	30,246
ATC - Wetlands Mitigation	1,254,093	1,200	-	-	(1,252,893)	-
Nursing & Science Building	1,809,022	326,934	-	-	(3,538)	1,478,550
Nursing & Science - FF&E	6,893	-	-	-	3,538	10,431
Berkeley Campus Repaving - Phase II	50,693	-	-	38,654	-	12,039
Mt Pleasant Campus Renovation - Phase III	6,540	675	-	920	-	4,945
Building Exteriors Clean & Seal - Main	551,541	238,336	-	-	-	313,205
Elevator Upgrades - Main	579,374	23,575	-	-	-	555,799
Bldg 410 Restrooms Renovation	171,349	950	-	-	-	170,399
ATC - Wetlands Development Phase I	19,508	19,508	-	-	-	-
ATC - Site Work	9,053,638	-	-	1,291,468	-	7,762,170
ATC - FF&E	247,297	-	-	-	9,351,584	9,598,881
Bldg 400 - Welding Exhaust	39,878	15,493	-	-	-	24,385
Bldg 510 - Carpet Replacement	293,035	-	-	-	-	293,035
Bldg 700/800 HVAC Replacement	471,800	1,000	-	-	-	470,800
Bldg 410 - Roof Replacement	281,953	143,181	-	-	-	138,772
Bldg 900 - Roof Replacement	437,259	126,727	-	-	46,540	357,072
Bldg 500 - Renovation Phase II	687,648	17,059	-	-	-	670,589
Mt. Pleasant Phase IV	500,000	-	-	-	-	500,000
Bldg 630 Renovation	750,000	-	-	-	-	750,000
ATC - Building	20,393,486	2,035,874	-	-	36,951,884	55,309,496
Palmer Replace HVAC Phase II	-	-	-	-	1,000,000	1,000,000
Building 910 Replace Carpet	-	-	-	-	250,000	250,000
Enterprise System	-	-	-	-	300,000	300,000
	\$ 38,289,513	\$ 3,165,952	\$ -	\$ 1,331,042	\$ 46,647,115	\$ 80,439,634

**Schedule of Changes in Unrestricted Current Fund
(With Expenses and Other Disbursements by Function)
For the Year Ended June 30, 2017**

Schedule 7

Revenues

Tuition and Fees	\$ 52,020,271
State Appropriations	16,978,136
County Appropriations	11,746,458
Sales and Services of Educational Departments	102,842
Auxiliary Enterprises	7,895,280
Investment Income	17,727
Indirect Cost Recovery	131,460
Other & nongovernmental	657,666
Total Revenues	<u>89,549,840</u>

Expenses and Other Disbursements by Function

Instruction	37,847,946
Academic Support	7,254,301
Student Services	8,764,588
Maintenance and Operations	10,646,512
Institutional Support	12,940,911
Student Financial Assistance	1,156,021
Auxiliary Enterprises	7,377,755
Total Expenses	<u>85,988,034</u>

Excess Revenue Over (Under) Expenses	<u>3,561,806</u>
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Net Position-Beginning of Year	<u>27,405,203</u>
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Net Position-End of Year	<u>\$ 30,967,009</u>
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Note:

This schedule includes only the Unrestricted Current Fund. It excludes any adjustments as required for financial statement presentation such as the scholarship allowance, the effects of net pension liability, and other eliminating entries (e.g., indirect cost recovery). It is intended to provide the reader of the statement with information regarding the financial resources attributable to operations and available to the College in meeting its mission.

Trident Technical College
Comprehensive Annual Financial Report

**Schedule of Changes in Unrestricted Current Fund
(With Expenses and Other Disbursements by Object)
For the Year Ended June 30, 2017**

Schedule 8

Revenues

Tuition and Fees	\$ 52,020,271
State Appropriations	16,978,136
County Appropriations	11,746,458
Sales and Services of Educational Departments	102,842
Auxiliary Enterprises	7,895,280
Investment Income	17,727
Indirect Cost Recovery	131,460
Other & nongovernmental	657,666
Total Revenues	<hr/> 89,549,840

Expenses and Other Disbursements by Function

Salaries	45,378,311
Benefits	15,641,482
Utilities	3,257,853
Scholarships and fee remissions	1,156,021
Contracted services	9,742,476
Supplies and materials	3,231,612
Services-fixed charges	879,440
Travel	403,766
Equipment and permanent improvements	256,441
Purchases for resale	6,040,632
Total Expenses	<hr/> 85,988,034

Excess Revenue Over (Under) Expenses	<hr/> 3,561,806
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Net Position-Beginning of Year	<hr/> 27,405,203
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Net Position-End of Year	<hr/> <hr/> \$ 30,967,009
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Note:

This schedule includes only the Unrestricted Current Fund. It excludes any adjustments as required for financial statement presentation such as the scholarship allowance, the effects of net pension liability, and other eliminating entries (e.g., indirect cost recovery). It is intended to provide the reader of the statement with information regarding the financial resources attributable to operations and available to the College in meeting its mission.

STATISTICAL SECTION
(Unaudited)

STATISTICAL SECTION

The statistical section of the Trident Technical College's (the "College") Comprehensive Annual Financial Report presents selected financial, statistical and demographic information. This information provides a broad overview of trends in the financial affairs of the College.

Financial Trends

These schedules contain trend information to help to assist in understanding how the College's financial performance and well-being have changed over time.

Revenue Capacity

The schedules include information about the College's revenue sources including student tuition and fees.

Debt Capacity

These schedules present information that assess the affordability of the College's current levels of outstanding debt and the College's ability to issue additional debt in the future.

Operating Information

These schedules contain service and infrastructure data including student enrollment and demographics, and capital asset information.

Demographic and Economic Indicators

These schedules provide an overview of the socioeconomic environment in which the College operates.

**Schedule of Net Position by Component
Last Ten Fiscal Years**

	For the Years Ended June 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Net investment in capital assets	\$ 93,314,713	\$ 92,698,283	\$ 95,275,044	\$ 96,175,857	\$ 90,041,114	\$ 77,131,977	\$ 73,219,938	\$ 72,315,514	\$ 70,767,742	\$ 67,560,632
Restricted for expendable	22,837,927	17,641,976	15,599,273	14,035,102	20,593,608	22,928,529	16,294,524	8,935,240	6,295,351	7,306,532
Unrestricted ^a	(54,055,911)	(56,383,879)	(56,924,372)	28,738,191	25,918,030	23,002,697	24,992,979	23,663,775	13,210,039	13,251,343
Total net position	\$ 62,096,729	\$ 53,956,380	\$ 53,949,945	\$ 138,949,150	\$ 136,552,752	\$ 123,063,203	\$ 114,507,441	\$ 104,914,529	\$ 90,273,132	\$ 88,118,507

Source: Trident Technical College Comprehensive Annual Financial Report for years presented.

^a Beginning in 2007, the unrestricted net position includes the Trident Technical College Enterprise Campus Authority. Also, in 2015 the College implemented GASB Statement 68, Accounting and Financial Reporting for Pensions. The implementation required the College to record beginning net pension liability and the effects on unrestricted net position of contributions made by the College. As a result, the unrestricted net position for the year ended June 30, 2014 was restated to a deficit balance of \$(52,383,729), which was adjusted through beginning net position in fiscal year 2015.

Trident Technical College
Comprehensive Annual Financial Report

**Schedule of Changes in Net Position
Last Ten Fiscal Years**

For the Years Ended June 30,

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Operating Revenues										
Student tuition and fees (net of scholarship allowances)	\$ 38,210,063	\$ 42,335,933	\$ 42,579,992	\$ 46,064,705	\$ 45,654,553	\$ 44,674,156	\$ 40,075,362	\$ 38,529,517	\$ 31,361,578	\$ 29,748,792
Federal contracts ^a	536,979	585,657	638,704	480,410	470,944	439,420	396,509	483,725	16,143,293	12,417,840
State contracts	13,344,209	15,058,799	13,566,375	13,758,534	13,590,998	11,432,719	10,185,830	10,424,598	10,324,215	9,188,917
Nongovernmental grants and contracts	819,202	894,902	830,759	672,385	433,312	429,854	428,073	468,625	357,320	443,734
Sales/services of educational departments	102,842	101,311	101,008	98,957	122,343	125,856	108,055	126,383	83,121	81,284
Auxiliary enterprises (net of scholarship allowances)	5,905,819	6,853,899	7,370,504	7,858,598	8,113,893	8,085,057	7,475,000	7,674,590	6,851,960	5,973,412
Other operating revenues	120,022	230,587	93,433	78,344	81,847	112,142	119,354	67,219	164,190	149,889
Total operating revenues	59,039,136	66,061,088	65,180,775	69,011,933	68,467,890	65,299,204	58,788,183	57,774,657	65,285,677	58,003,868
Operating Expenses										
Instruction	39,846,642	42,876,668	44,442,737	43,459,339	43,815,169	41,284,107	38,094,184	35,178,743	33,722,646	31,650,244
Academic support	8,886,629	9,499,891	10,040,952	9,208,301	8,558,807	9,497,577	9,330,034	7,350,417	7,295,885	6,682,040
Student services	11,236,228	11,573,783	11,803,615	11,052,906	10,986,503	10,516,242	10,202,984	9,599,999	9,386,599	9,521,017
Operation and maintenance of plant	10,219,877	12,168,628	11,890,088	16,304,218	11,880,092	9,463,781	9,404,764	7,605,600	7,767,553	7,391,530
Institutional support	13,791,904	14,411,064	14,292,241	13,594,563	13,092,174	13,285,882	11,698,998	11,134,194	12,312,214	11,456,872
Scholarships and fellowships	17,138,048	23,425,077	27,055,519	30,457,597	31,421,852	29,983,315	25,473,271	22,861,531	14,353,612	11,845,318
Auxiliary enterprises	7,386,987	8,683,935	10,172,880	11,216,407	10,443,065	10,997,624	9,516,879	9,024,246	7,896,696	6,364,711
Depreciation	6,771,245	7,096,348	6,932,615	7,300,572	4,974,291	4,967,538	4,640,001	4,529,923	4,017,652	5,653,129
Total operating expenses	115,277,560	129,735,394	136,630,647	142,593,903	135,171,953	129,996,066	118,361,115	107,284,653	96,752,857	90,564,861
Operating loss	(56,238,424)	(63,674,306)	(71,449,872)	(73,581,970)	(66,704,063)	(64,696,862)	(59,572,932)	(49,509,996)	(31,467,180)	(32,560,993)

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Trident Technical College
Comprehensive Annual Financial Report

**Schedule of Changes in Net Position
Last Ten Fiscal Years**

-CONTINUED-

For the Years Ended June 30,

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Nonoperating Revenues (Expenses)										
State appropriations	\$ 20,743,202	\$ 17,509,823	\$ 16,489,981	\$ 15,535,262	\$ 14,807,199	\$ 14,000,038	\$ 13,438,112	\$ 16,246,953	\$ 17,997,839	\$ 22,761,816
County appropriations	11,746,458	10,736,693	10,491,560	10,285,774	9,732,690	10,268,017	10,155,622	9,892,300	9,476,196	8,705,553
Federal grants and contracts ^a	24,854,026	31,857,707	37,451,336	40,957,991	43,116,540	44,503,801	44,351,767	35,993,470	3,158,716	2,812,945
State grants and contracts	1,240,565	218,356	199,980	315,260	734,248	890,158	449,529	1,377,465	1,083,968	3,404,595
Investment income	17,727	9,411	2,066	43,416	81,384	110,261	180,959	224,160	342,848	709,432
Interest expense on capital asset-related debt	(140,346)	(162,862)	(184,954)	(107,701)	(163,687)	(134,140)	(238,758)	(345,630)	(457,618)	(599,688)
Other nonoperating revenues	537,644	566,490	560,803	538,279	387,290	779,237	272,681	445,286	861,248	602,935
Gain (loss) on sale of land	-	-	-	-	-	-	11,760	71,627	-	-
Gain (loss) on disposal of capital assets	-	-	(31,011)	(230,141)	18,120	(6,027)	-	(4,238)	(1,854)	(41,330)
Total nonoperating revenues (expenses)	58,999,276	60,735,618	64,979,761	67,338,140	68,713,784	70,411,345	68,621,672	63,901,393	32,461,343	38,356,258
Income (loss) before other changes in net position	2,760,852	(2,938,688)	(6,470,111)	(6,243,830)	2,009,721	5,714,483	9,048,740	14,391,397	994,163	5,795,265
Capital grants and gifts	400,000	400,000	400,000	571,445	489,950	262,339	250,000	250,000	250,000	250,000
County capital appropriations	1,296,252	1,151,054	1,640,533	7,633,033	10,353,139	1,411,983	294,172	-	-	-
State capital appropriations	3,353,524	1,394,069	552,293	435,750	636,739	1,166,957	-	-	910,462	6,616,646
Federal capital grants	329,721	-	-	-	-	-	-	-	-	-
Total capital gifts, grants and appropriations	5,379,497	2,945,123	2,592,826	8,640,228	11,479,828	2,841,279	544,172	250,000	1,160,462	6,866,646
Total change in net position	\$ 8,140,349	\$ 6,435	\$ (3,877,285)	\$ 2,396,398	\$ 13,489,549	\$ 8,555,762	\$ 9,592,912	\$ 14,641,397	\$ 2,154,625	\$ 12,661,911

Source: Trident Technical College Comprehensive Annual Financial Report for years presented.

^a Effective fiscal year ended 2010, the South Carolina Comptroller General's Office required institutions of higher learning in South Carolina to report Pell grant activity as federal non-operating revenues. This is in accordance with the Comptroller General's interpretation of Question 7.72.10 of GASB's Comprehensive Implementation Guide 2009-2010.

Trident Technical College
Comprehensive Annual Financial Report

Schedule of Revenues by Source
Last Ten Fiscal Years

	For the Years Ended June 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Revenues										
Student tuition and fees (net of scholarship allowances)	\$ 38,210,063	\$ 42,335,933	\$ 42,579,992	\$ 46,064,705	\$ 45,654,553	\$ 44,674,156	\$ 40,075,362	\$ 38,529,517	\$ 31,361,578	\$ 29,748,792
Federal grants and contracts ^a	536,979	585,657	638,704	480,410	470,944	439,420	396,509	483,725	16,143,293	12,417,840
State grants and contracts	13,344,209	15,058,799	13,566,375	13,758,534	13,590,998	11,432,719	10,185,830	10,424,598	10,324,215	9,188,917
Nongovernmental grants and contracts	819,202	894,902	830,759	672,385	433,312	429,854	428,073	468,625	357,320	443,734
Sales and services of educational activities	102,842	101,311	101,008	98,957	122,343	125,856	108,055	126,383	83,121	81,284
Auxiliary enterprises (net of scholarship allowances)	5,905,819	6,853,899	7,370,504	7,858,598	8,113,893	8,085,057	7,475,000	7,674,590	6,851,960	5,973,412
Other operating revenues	120,022	230,587	93,433	78,344	81,847	112,142	119,354	67,219	164,190	149,889
Total Operating Revenues	59,039,136	66,061,088	65,180,775	69,011,933	68,467,890	65,299,204	58,788,183	57,774,657	65,285,677	58,003,868
State appropriations	20,743,202	17,509,823	16,489,981	15,535,262	14,807,199	14,000,038	13,438,112	16,246,953	17,997,839	22,761,816
County appropriations	11,746,458	10,736,693	10,491,560	10,285,774	9,732,690	10,268,017	10,155,622	9,892,300	9,476,196	8,705,553
Investment income	17,727	9,411	2,066	43,416	81,384	110,261	180,959	224,160	342,848	709,432
Federal grants and contracts ^a	24,854,026	31,857,707	37,451,336	40,957,991	43,116,540	44,503,801	44,351,767	35,993,470	3,158,716	2,812,945
State grants and contracts	1,240,565	218,356	199,980	315,260	734,248	890,158	449,529	1,377,465	1,083,968	3,404,595
Other nonoperating revenues	537,644	566,490	560,803	538,279	387,290	779,237	272,681	445,286	861,248	602,935
Gains on disposal of capital assets	-	-	-	-	18,120	-	11,760	71,627	-	-
Capital grants and gifts	400,000	400,000	400,000	571,445	489,950	262,339	250,000	250,000	250,000	250,000
County capital appropriations	1,296,252	1,151,054	1,640,533	7,633,033	10,353,139	1,411,983	294,172	-	-	-
State capital appropriations	3,353,524	1,394,069	552,293	435,750	636,739	1,166,957	-	-	910,462	6,616,646
Federal capital grant	329,721	-	-	-	-	-	-	-	-	-
Total Nonoperating Revenues	64,519,119	63,843,603	67,788,552	76,316,210	80,357,299	73,392,791	69,404,602	64,501,261	34,081,277	45,863,922
Total Revenues	\$ 123,558,255	\$ 129,904,691	\$ 132,969,327	\$ 145,328,143	\$ 148,825,189	\$ 138,691,995	\$ 128,192,785	\$ 122,275,918	\$ 99,366,954	\$ 103,867,790

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Trident Technical College
Comprehensive Annual Financial Report

**Schedule of Revenues by Source
Last Ten Fiscal Years**

-CONTINUED-

For the Years Ended June 30,
(Percentage of Total)

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Revenues										
Student tuition and fees (net of scholarship allowances)	30.9%	32.6%	32.0%	31.7%	30.6%	32.3%	31.3%	31.5%	31.6%	28.6%
Federal grants and contracts ^a	0.4%	0.5%	0.5%	0.3%	0.3%	0.3%	0.3%	0.4%	16.2%	12.0%
State grants and contracts	10.8%	11.6%	10.2%	9.4%	9.1%	8.2%	8.0%	8.5%	10.4%	8.8%
Nongovernmental grants and contracts	0.7%	0.7%	0.6%	0.5%	0.3%	0.3%	0.3%	0.4%	0.4%	0.4%
Sales and services of educational activities	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.0%	0.1%
Auxiliary enterprises (net of scholarship allowances)	4.8%	5.3%	5.5%	5.4%	5.5%	5.8%	5.8%	6.3%	6.9%	5.8%
Other operating revenues	0.1%	0.2%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.2%	0.1%
Total Operating Revenues	47.8%	51.0%	49.0%	47.5%	46.0%	47.1%	45.9%	47.3%	65.7%	55.8%
State appropriations	16.8%	13.5%	12.4%	10.7%	9.9%	10.1%	10.5%	13.3%	18.1%	21.9%
County appropriations	9.5%	8.3%	7.9%	7.0%	6.5%	7.4%	7.9%	8.1%	9.5%	8.4%
Investment income	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%	0.1%	0.2%	0.3%	0.7%
Federal grants and contracts ^a	20.2%	24.3%	28.2%	28.2%	29.0%	32.1%	34.6%	29.4%	3.2%	2.7%
State grants and contracts	1.0%	0.2%	0.2%	0.2%	0.5%	0.6%	0.4%	1.1%	1.1%	3.3%
Other nonoperating revenues	0.4%	0.4%	0.4%	0.4%	0.3%	0.6%	0.2%	0.4%	0.9%	0.6%
Gains on disposal of capital assets	-	-	-	-	0.0%	-	0.0%	0.0%	-	-
Capital grants and gifts	0.3%	0.3%	0.3%	0.4%	0.3%	0.2%	0.2%	0.2%	0.3%	0.2%
County capital appropriations	1.0%	0.9%	1.2%	5.3%	7.0%	1.0%	0.2%	-	-	-
State capital appropriations	2.7%	1.1%	0.4%	0.3%	0.4%	0.8%	-	-	0.9%	6.4%
Federal capital grant	0.3%	-	-	-	-	-	-	-	-	-
Total Nonoperating Revenues	52.2%	49.0%	51.0%	52.5%	54.0%	52.9%	54.1%	52.7%	34.3%	44.2%
Total Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Trident Technical College Comprehensive Annual Financial Report for years presented.

^a Effective fiscal year ended 2010, the South Carolina Comptroller General's Office is requiring institutions of higher learning in South Carolina to report Pell grant activity as federal non-operating revenues. This is in accordance with the Comptroller General's interpretation of Question 7.72.10 of GASB's Comprehensive Implementation Guide 2009-2010.

Trident Technical College
Comprehensive Annual Financial Report

**Schedule of Expenses by Function
Last Ten Fiscal Years**

For the Years Ended June 30,

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Operating Expenses:										
Instruction	\$ 39,846,642	\$ 42,876,668	\$ 44,442,737	\$ 43,459,339	\$ 43,815,169	\$ 41,284,107	\$ 38,094,184	\$ 35,178,743	\$ 33,722,646	\$ 31,650,244
Academic support	8,886,629	9,499,891	10,040,952	9,208,301	8,558,807	9,497,577	9,330,034	7,350,417	7,295,885	6,682,040
Student services	11,236,228	11,573,783	11,803,615	11,052,906	10,986,503	10,516,242	10,202,984	9,599,999	9,386,599	9,521,017
Operation and maintenance of plant	10,219,877	12,168,628	11,890,088	16,304,218	11,880,092	9,463,781	9,404,764	7,605,600	7,767,553	7,391,530
Institutional support	13,791,904	14,411,064	14,292,241	13,594,563	13,092,174	13,285,882	11,698,998	11,134,194	12,312,214	11,456,872
Scholarships and financial aid	17,138,048	23,425,077	27,055,519	30,457,597	31,421,852	29,983,315	25,473,271	22,861,531	14,353,612	11,845,318
Auxiliary enterprises	7,386,987	8,683,935	10,172,880	11,216,407	10,443,065	10,997,624	9,516,879	9,024,246	7,896,696	6,364,711
Depreciation	6,771,245	7,096,348	6,932,615	7,300,572	4,974,291	4,967,538	4,640,001	4,529,923	4,017,652	5,653,129
Total operating expenses	<u>115,277,560</u>	<u>129,735,394</u>	<u>136,630,647</u>	<u>142,593,903</u>	<u>135,171,953</u>	<u>129,996,066</u>	<u>118,361,115</u>	<u>107,284,653</u>	<u>96,752,857</u>	<u>90,564,861</u>
Nonoperating Expenses										
Interest on capital asset-related debt	140,346	162,862	184,954	107,701	163,687	134,140	238,758	345,630	457,618	599,688
Loss on disposal of capital assets	-	-	31,011	230,141	-	6,027	-	4,238	1,854	41,330
Total expenses	<u>\$ 115,417,906</u>	<u>\$ 129,898,256</u>	<u>\$ 136,846,612</u>	<u>\$ 142,931,745</u>	<u>\$ 135,335,640</u>	<u>\$ 130,136,233</u>	<u>\$ 118,599,873</u>	<u>\$ 107,634,521</u>	<u>\$ 97,212,329</u>	<u>\$ 91,205,879</u>

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Trident Technical College
Comprehensive Annual Financial Report

**Schedule of Expenses by Function
Last Ten Fiscal Years**

-CONTINUED-

For the Years Ended June 30,
(Percentage of Total)

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Operating Expenses:										
Instruction	34.5%	33.0%	32.5%	30.4%	32.4%	31.7%	32.1%	32.8%	34.7%	34.7%
Academic support	7.7%	7.3%	7.3%	6.4%	6.3%	7.3%	7.9%	6.8%	7.5%	7.3%
Student services	9.7%	8.9%	8.6%	7.7%	8.1%	8.1%	8.6%	8.9%	9.7%	10.4%
Operation and maintenance of plant	8.9%	9.4%	8.7%	11.4%	8.8%	7.3%	7.9%	7.1%	8.0%	8.1%
Institutional support	11.9%	11.1%	10.5%	9.5%	9.7%	10.2%	9.9%	10.3%	12.7%	12.6%
Scholarships and financial aid	14.8%	18.0%	19.8%	21.3%	23.2%	23.0%	21.5%	21.2%	14.8%	13.0%
Auxiliary enterprises	6.4%	6.7%	7.4%	7.9%	7.7%	8.5%	8.0%	8.4%	8.1%	7.0%
Depreciation	5.9%	5.5%	5.1%	5.1%	3.7%	3.8%	3.9%	4.2%	4.0%	6.2%
Total operating expenses	99.9%	99.9%	99.9%	99.7%	99.9%	99.9%	99.8%	99.7%	99.5%	99.3%
Nonoperating Expenses										
Interest on capital asset-related debt	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.2%	0.3%	0.5%	0.7%
Loss on disposal of capital assets	0.0%	0.0%	0.0%	0.2%	-	-	-	0.0%	0.0%	0.0%
Total expenses	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Trident Technical College Comprehensive Annual Financial Report for years presented.

Trident Technical College
Comprehensive Annual Financial Report

**Schedule of Expenses by Object
Last Ten Fiscal Years**

For the Years Ended June 30,

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Operating Expenses:										
Salaries	\$ 48,213,663	\$ 50,817,173	\$ 53,704,225	\$ 52,330,185	\$ 52,078,921	\$ 50,708,866	\$ 46,966,157	\$ 42,707,355	\$ 43,130,768	\$ 40,761,901
Benefits	17,411,924	17,922,729	16,988,315	15,322,041	14,722,608	13,427,695	12,082,857	11,316,609	10,938,771	10,203,027
Utilities	3,257,853	3,590,880	3,395,985	2,981,950	2,773,588	2,736,567	2,615,376	2,437,241	2,226,011	1,996,922
Scholarships and fee remissions	17,138,048	23,425,077	27,055,519	30,457,597	31,421,852	29,983,315	25,473,271	22,861,531	14,353,612	11,845,318
Contracted services	10,094,076	12,107,720	12,009,015	11,764,186	10,704,761	10,465,519	9,437,287	9,081,058	8,014,208	8,158,177
Supplies and materials	3,789,145	3,999,658	4,556,094	6,272,759	4,922,467	4,514,127	4,279,259	3,919,611	4,056,542	3,737,643
Services-fixed charges	879,840	928,993	1,042,928	1,004,142	1,103,481	901,102	749,749	673,994	732,544	733,994
Travel	552,473	484,499	654,473	570,054	592,336	430,865	448,147	438,916	522,038	574,014
Equipment and permanent improvements	1,128,661	2,221,679	1,888,348	4,976,136	2,740,977	2,275,457	3,217,379	1,326,232	1,745,516	1,177,494
Purchases for resale	6,040,632	7,140,638	8,403,130	9,614,281	9,136,671	9,585,015	8,451,632	7,992,183	6,862,906	5,584,627
Indirect costs ^a	-	-	-	-	-	-	-	-	152,289	138,615
Depreciation	6,771,245	7,096,348	6,932,615	7,300,572	4,974,291	4,967,538	4,640,001	4,529,923	4,017,652	5,653,129
Total Operating Expenses	115,277,560	129,735,394	136,630,647	142,593,903	135,171,953	129,996,066	118,361,115	107,284,653	96,752,857	90,564,861
Interest expense on capital asset-related debt	140,346	162,862	184,954	107,701	163,687	134,140	238,758	345,630	457,618	599,688
Loss on disposal of capital assets	-	-	31,011	230,141	-	6,027	-	4,238	1,854	41,330
Total Expenses	\$ 115,417,906	\$ 129,898,256	\$ 136,846,612	\$ 142,931,745	\$ 135,335,640	\$ 130,136,233	\$ 118,599,873	\$ 107,634,521	\$ 97,212,329	\$ 91,205,879

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Trident Technical College
Comprehensive Annual Financial Report

**Schedule of Expenses by Object
Last Ten Fiscal Years**

-CONTINUED-

For the Years Ended June 30,
(Percentage of Total)

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Operating Expenses:										
Salaries	41.8%	39.1%	39.2%	36.6%	38.5%	39.0%	39.6%	39.8%	44.4%	44.7%
Benefits	15.1%	13.8%	12.4%	10.7%	10.9%	10.3%	10.2%	10.6%	11.3%	11.2%
Utilities	2.8%	2.8%	2.5%	2.1%	2.0%	2.1%	2.2%	2.3%	2.3%	2.2%
Scholarships and fee remissions	14.8%	18.0%	19.8%	21.3%	23.2%	23.0%	21.5%	21.2%	14.8%	13.0%
Contracted services	8.7%	9.3%	8.8%	8.2%	7.9%	8.0%	8.0%	8.4%	8.2%	8.9%
Supplies and materials	3.3%	3.1%	3.3%	4.4%	3.6%	3.5%	3.6%	3.6%	4.2%	4.1%
Services-fixed charges	0.8%	0.7%	0.8%	0.7%	0.8%	0.7%	0.6%	0.6%	0.8%	0.8%
Travel	0.5%	0.4%	0.5%	0.4%	0.4%	0.3%	0.4%	0.4%	0.5%	0.6%
Equipment and permanent improvements	1.0%	1.7%	1.4%	3.5%	2.1%	1.8%	2.7%	1.2%	1.8%	1.3%
Purchases for resale	5.2%	5.5%	6.1%	6.7%	6.8%	7.4%	7.1%	7.4%	7.1%	6.1%
Indirect costs ^a	-	-	-	-	-	-	-	-	0.1%	0.2%
Depreciation	5.9%	5.5%	5.1%	5.1%	3.7%	3.8%	3.9%	4.2%	4.0%	6.2%
Total Operating Expenses	99.9%	99.9%	99.9%	99.7%	99.9%	99.9%	99.8%	99.7%	99.5%	99.3%
Interest expense on capital asset-related debt	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.2%	0.3%	0.5%	0.7%
Loss on disposal of capital assets			0.0%	0.2%	-	0.0%	-	0.0%	0.0%	0.0%
Total Expenses	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Trident Technical College Comprehensive Annual Financial Report for years presented.

^a Beginning in fiscal year 2010, indirect costs are included with the total contracted services and shown net of indirect cost recoveries.

Trident Technical College
Comprehensive Annual Financial Report

**Current Funds Revenues and Other Receipts by Source
Last Ten Fiscal Years**

	For the Years Ended June 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Tuition and Fees	\$ 52,020,271	\$ 57,436,287	\$ 57,300,352	\$ 60,535,117	\$ 59,897,524	\$ 58,656,410	\$ 54,129,410	\$ 47,110,015	\$ 37,313,153	\$ 33,998,288
State Appropriations	18,793,007	17,140,948	15,913,793	15,535,262	14,807,199	14,000,038	13,438,112	16,246,953	17,997,839	22,761,816
County Appropriations	11,746,458	10,736,693	10,491,560	10,285,774	9,732,690	10,268,017	10,155,622	9,892,300	9,476,195	8,705,553
Federal Grants and Contracts	51,378,005	69,469,963	83,300,136	97,997,378	102,765,477	102,316,241	90,987,047	77,717,412	47,900,668	37,005,089
State Grants and Contracts	14,584,774	15,277,155	13,766,355	14,073,794	14,325,246	12,322,877	10,635,359	11,802,063	11,408,183	11,264,791
Sales and Services of Educational Departments	102,842	101,311	101,008	98,957	122,343	125,856	108,055	126,383	83,121	81,284
Auxiliary Enterprises	7,895,281	9,609,580	10,908,404	11,834,973	11,986,622	11,937,451	10,940,458	10,624,410	8,824,781	7,566,868
Investment Income	17,727	9,411	2,066	43,416	81,384	110,261	180,959	198,335	280,852	571,774
Other	1,476,868	1,691,979	1,484,995	1,463,954	902,448	1,321,233	1,396,898	1,455,661	892,947	748,926
Total Revenues	\$ 158,015,233	\$ 181,473,327	\$ 193,268,669	\$ 211,868,625	\$ 214,620,933	\$ 211,058,384	\$ 191,971,920	\$ 175,173,532	\$ 134,177,739	\$ 122,704,389

	For the Years Ended June 30, (Percentage of Total)									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Tuition and Fees	32.9%	31.7%	29.7%	28.6%	27.9%	27.8%	28.2%	26.9%	27.8%	27.7%
State Appropriations	11.9%	9.4%	8.2%	7.3%	6.9%	6.6%	7.0%	9.3%	13.4%	18.5%
County Appropriations	7.4%	5.9%	5.4%	4.9%	4.5%	4.9%	5.3%	5.6%	7.1%	7.1%
Federal Grants and Contracts	32.5%	38.3%	43.1%	46.3%	47.9%	48.5%	47.4%	44.4%	35.7%	30.1%
State Grants and Contracts	9.2%	8.4%	7.1%	6.6%	6.7%	5.8%	5.5%	6.7%	8.5%	9.2%
Sales and Services of Educational Departments	0.1%	0.1%	0.1%	0.0%	0.1%	0.1%	0.1%	0.1%	0.0%	0.1%
Auxiliary Enterprises	5.0%	5.3%	5.6%	5.6%	5.6%	5.6%	5.7%	6.1%	6.6%	6.2%
Investment Income	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%	0.1%	0.2%	0.5%
Other	1.0%	0.9%	0.8%	0.7%	0.4%	0.6%	0.7%	0.8%	0.7%	0.6%
Total Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Note: Current Funds include the Unrestricted and Restricted Funds. This schedule includes amounts received that are related to federal student loans (FFELP/Direct Loan).

Source: Trident Technical College Comprehensive Annual Financial Report for years presented.

Trident Technical College
Comprehensive Annual Financial Report

**Current Funds Expenses and Other Disbursements by Function
Last Ten Fiscal Years**

	For the Years Ended June 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Instruction	\$ 39,173,296	\$ 41,875,824	\$ 43,980,346	\$ 43,459,339	\$ 43,809,750	\$ 41,448,054	\$ 38,094,184	\$ 35,180,423	\$ 33,722,647	\$ 31,650,245
Academic Support	8,739,785	9,286,743	9,943,161	9,209,316	8,542,902	9,499,079	9,332,744	7,350,416	7,295,884	6,682,040
Student Services	11,074,951	11,337,875	11,698,108	11,190,120	11,002,120	10,597,908	10,202,984	9,599,999	9,386,598	9,521,017
Maintenance and Operations	12,059,980	11,460,241	12,147,057	10,536,772	11,349,630	10,573,144	10,218,460	9,144,686	8,066,217	7,630,702
Institutional Support	13,412,910	14,149,017	14,173,906	13,594,563	13,274,996	13,507,327	12,275,786	11,608,727	12,312,214	11,455,359
Student Financial Assistance	62,614,751	82,678,511	94,850,425	109,733,397	113,266,238	109,576,883	93,818,125	82,120,291	55,538,789	44,045,838
Auxiliary Enterprises	7,377,755	8,661,511	10,162,713	11,216,407	10,443,065	10,997,623	9,516,879	9,024,246	7,896,694	6,364,711
Transfers	-	-	-	-	-	7,000,000	-	-	-	-
Total Expenditures and Mandatory transfers	\$ 154,453,428	\$ 179,449,722	\$ 196,955,716	\$ 208,939,914	\$ 211,688,701	\$ 213,200,018	\$ 183,459,162	\$ 164,028,788	\$ 134,219,043	\$ 117,349,912

	For the Years Ended June 30, (Percentage of Total)									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Instruction	25.4%	23.3%	22.3%	20.8%	20.7%	19.4%	20.8%	21.4%	25.1%	27.0%
Academic Support	5.7%	5.2%	5.0%	4.4%	4.0%	4.5%	5.1%	4.5%	5.4%	5.7%
Student Services	7.2%	6.3%	5.9%	5.4%	5.2%	5.0%	5.5%	5.8%	7.0%	8.1%
Maintenance and Operations	7.8%	6.4%	6.2%	5.0%	5.4%	5.0%	5.6%	5.6%	6.0%	6.5%
Institutional Support	8.7%	7.9%	7.2%	6.5%	6.3%	6.3%	6.7%	7.1%	9.2%	9.8%
Student Financial Assistance	40.5%	46.1%	48.2%	52.5%	53.5%	51.4%	51.1%	50.1%	41.4%	37.5%
Auxiliary Enterprises	4.8%	4.8%	5.2%	5.4%	4.8%	5.1%	5.2%	5.5%	5.9%	5.4%
Transfers	0.0%	0.0%	0.0%	0.0%	0.0%	3.3%	0.0%	-	-	-
Total Expenditures and Mandatory transfers	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Trident Technical College Comprehensive Annual Financial Report for years presented.

Note: Current Funds include the Unrestricted and Restricted Funds.

Trident Technical College
Comprehensive Annual Financial Report

**Student Tuition and Fees
 Last Ten Years**

Academic Year	Per Credit Hour Tuition	Per Credit Hour ^a Capital Fee	Per Credit Hour ^a College Fee	Per Credit Hour ^a Technology Fee	Annual Cost per Full-time Student	Increase Dollars	Increase Percent
2016-17	\$ 152.18	\$ 14.88	\$ -	\$ 4.78	\$ 4,124.16	\$ 84.96	2.1%
2015-16	\$ 149.05	\$ 14.57	\$ -	\$ 4.68	\$ 4,039.20	\$ 127.20	3.3%
2014-15	\$ 144.36	\$ 14.11	\$ -	\$ 4.53	\$ 3,912.00	\$ 118.56	3.1%
2013-14	\$ 140.22	\$ 13.44	\$ -	\$ 4.40	\$ 3,793.44	\$ 110.64	3.0%
2012-13	\$ 136.14	\$ 13.04	\$ -	\$ 4.27	\$ 3,682.80	\$ 82.80	2.3%
2011-12	\$ 133.08	\$ 12.75	\$ -	\$ 4.17	\$ 3,600.00	\$ 70.00	2.0%
2010-11	\$ 131.00	\$ 13.00	\$ -	\$ 5.00	\$ 3,530.00	\$ 80.00	2.3%
2009-10	\$ 120.00	\$ 21.00	\$ -	\$ 5.00	\$ 3,450.00	\$ 120.00	3.6%
2008-09	\$ 115.00	\$ 20.00	\$ -	\$ 5.00	\$ 3,330.00	\$ 110.00	3.4%
2007-08	\$ 111.00	\$ 19.00	\$ -	\$ 5.00	\$ 3,220.00	\$ 106.00	3.4%

Academic Year	Trident Technical College		National Two Year Public Institution Average ^b		South Carolina Technical College Average ^c	
	Annual Cost	Percent Change	Annual Cost	Percent Change	Annual Cost	Percent Change
2016-17	\$ 4,124.16	2.1%	d	d	d	d
2015-16	\$ 4,039.20	3.3%	\$ 3,038.00	2.8%	\$ 3,960.00	3.1%
2014-15	\$ 3,912.00	3.1%	\$ 2,955.00	2.5%	\$ 3,840.00	3.0%
2013-14	\$ 3,793.44	3.0%	\$ 2,882.00	3.2%	\$ 3,727.00	2.7%
2012-13	\$ 3,682.80	2.3%	\$ 2,792.00	5.5%	\$ 3,629.00	2.7%
2011-12	\$ 3,600.00	2.0%	\$ 2,647.00	8.5%	\$ 3,535.00	2.9%
2010-11	\$ 3,530.00	2.3%	\$ 2,439.00	6.7%	\$ 3,436.00	4.2%
2009-10	\$ 3,450.00	3.6%	\$ 2,285.00	6.9%	\$ 3,297.00	4.3%
2008-09	\$ 3,330.00	3.4%	\$ 2,137.00	3.7%	\$ 3,162.00	3.8%
2007-08	\$ 3,220.00	3.4%	\$ 2,061.00	2.1%	\$ 3,045.00	3.0%

Sources:

^a Trident Technical College published tuition and fees. In-county tuition and fees only.

^b U.S. Department of Education "Digest of Education Statistics, Table 330.10." Includes in-state tuition and required fees.

^c South Carolina Commission on Higher Education, Summary of Required Tuition & Fees for Full-time Undergraduates-Public Institutions

^d Data not available.

Trident Technical College
Comprehensive Annual Financial Report

**Ratios of Outstanding Debt
Last Ten Fiscal Years**

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
General Bonded Debt										
Notes Payable	\$ 6,944,301	\$ 8,130,735	\$ 9,294,829	\$ 10,437,003	\$ 11,540,203	\$ 2,600,584	\$ 5,117,634	\$ 7,990,849	\$ 10,807,600	\$ 13,530,483
Total general bonded debt	<u>\$ 6,944,301</u>	<u>\$ 8,130,735</u>	<u>\$ 9,294,829</u>	<u>\$ 10,437,003</u>	<u>\$ 11,540,203</u>	<u>\$ 2,600,584</u>	<u>\$ 5,117,634</u>	<u>\$ 7,990,849</u>	<u>\$ 10,807,600</u>	<u>\$ 13,530,483</u>
Per student equivalent	\$ 839	\$ 851	\$ 901	\$ 945	\$ 1,049	\$ 241	\$ 501	\$ 836	\$ 1,352	\$ 1,790
Other Debt										
Capital lease obligations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 829,625	\$ 2,311,243
Total outstanding debt	<u>\$ 6,944,301</u>	<u>\$ 8,130,735</u>	<u>\$ 9,294,829</u>	<u>\$ 10,437,003</u>	<u>\$ 11,540,203</u>	<u>\$ 2,600,584</u>	<u>\$ 5,117,634</u>	<u>\$ 7,990,849</u>	<u>\$ 11,637,225</u>	<u>\$ 15,841,726</u>
Per student equivalent	\$ 839	\$ 851	\$ 901	\$ 945	\$ 1,049	\$ 241	\$ 501	\$ 836	\$ 1,456	\$ 2,096
Full-time Equivalency (FTE)										
Fall Term	8,280	9,555	10,311	11,050	11,006	10,797	10,220	9,562	7,992	7,559

Source: Trident Technical College Comprehensive Annual Financial Report for years presented.

Note: Debt per student calculated using full-time-equivalent enrollment; see Schedule of Student Enrollment.

Trident Technical College
Comprehensive Annual Financial Report

**Schedule of Bond Coverage
Last Ten Fiscal Years**

Notes Payable and Capital Leases

For the Year Ended June 30,	Capital Fees Revenue	Debt Service Requirements			Coverage Ratio
		Principal	Interest	Total	
2017	\$ 4,019,754	\$ 1,186,434	\$ 149,659	\$ 1,336,093	3.01
2016	\$ 4,370,800	\$ 1,164,094	\$ 171,999	\$ 1,336,093	3.27
2015	\$ 4,326,551	\$ 1,142,174	\$ 193,919	\$ 1,336,093	3.24
2014	\$ 4,408,264	\$ 1,100,655	\$ 210,624	\$ 1,311,279	3.36
2013	\$ 4,727,808	\$ 2,060,381	\$ 188,253	\$ 2,248,634	2.10
2012	\$ 4,633,016	\$ 2,516,888	\$ 141,465	\$ 2,658,353	1.74
2011	\$ 4,589,287	\$ 2,923,900	\$ 247,660	\$ 3,171,560	1.45
2010	\$ 6,489,905	\$ 3,651,162	\$ 364,676	\$ 4,015,838	1.62
2009	\$ 5,151,931	\$ 4,204,501	\$ 515,973	\$ 4,720,474	1.09
2008	\$ 4,583,264	\$ 4,057,621	\$ 662,857	\$ 4,720,478	0.97 ^a

^a The Trident Technical College Area Commission budgeted unrestricted current funds to supplement capital fees for debt service.

Trident Technical College
Comprehensive Annual Financial Report

**Faculty and Staff Statistics
Last Ten Years**

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Number of Employees^a										
Faculty ^b										
Part-time	308	382	469	552	543	505	499	397	374	330
Full-time	309	334	339	334	326	316	304	299	296	288
Staff ^c										
Part-time	224	219	224	234	149	134	124	116	134	116
Full-time	403	420	419	400	399	402	370	362	359	346
Total Employees										
Part-time	532	601	693	786	692	639	623	513	508	446
Full-time	712	754	758	734	725	718	674	661	655	634
Full-Time Faculty Average Nine-Month Salaries^d										
Trident Technical College	\$ 49,979	\$ 48,723	\$ 49,052	\$ 48,641	\$ 48,666	\$ 47,752	\$ 47,237	\$ 47,153	\$ 47,018	\$ 44,742
S.C. Technical College System	\$ 49,684	\$ 48,272	\$ 51,060	\$ 47,748	\$ 47,943	\$ 46,250	\$ 46,250	\$ 46,465	\$ 48,989	\$ 46,114
Southern Regional Education Board	e	\$ 52,070	\$ 52,158	\$ 52,158	\$ 51,834	\$ 51,831	\$ 57,648	\$ 51,452	\$ 53,010	\$ 50,191

Sources:

^a IPEDS - Human Resources Component Summary Report; reported as of November 1.

^b Excludes librarians

^c Includes librarians

^d Trident Technical College FactBook for years presented

^e Data not available

Trident Technical College
Comprehensive Annual Financial Report

**Fall Term Student Enrollment
Last Ten Years**

	Fall 2016	Fall 2015	Fall 2014	Fall 2013	Fall 2012	Fall 2011	Fall 2010	Fall 2009	Fall 2008	Fall 2007
Headcount										
Status										
Full-time	5,479	6,824	7,183	7,521	7,557	7,553	7,295	6,856	5,544	5,230
Part-time	8,082	8,219	8,953	9,968	9,667	9,228	8,495	7,978	7,219	6,846
Total Student Enrollment	13,561	15,043	16,136	17,489	17,224	16,781	15,790	14,834	12,763	12,076
Full-Time Equivalent										
Full-time equivalent	8,280	9,555	10,311	11,050	11,006	10,797	10,220	9,562	7,992	7,559

Source: Trident Technical College Fact Books for years presented

**Student Demographics
Fall Term Student Enrollment
Last Ten Years**

	Fall 2016	Fall 2015	Fall 2014	Fall 2013	Fall 2012	Fall 2011	Fall 2010	Fall 2009	Fall 2008	Fall 2007
Historic Gender Demographics										
Male	5,460	5,973	6,210	6,921	6,568	6,394	6,088	5,524	4,820	4,457
Female	8,101	9,070	9,926	10,568	10,656	10,387	9,702	9,310	7,943	7,619
Total student enrollment	13,561	15,043	16,136	17,489	17,224	16,781	15,790	14,834	12,763	12,076
Historic Ethnic Demographics										
African-American	3,708	4,405	4,917	5,657	5,507	5,292	4,697	4,295	3,351	3,223
Caucasian	8,036	8,834	9,374	9,908	9,916	9,814	9,469	9,265	8,361	7,914
Other	1,817	1,804	1,845	1,924	1,801	1,675	1,624	1,274	1,051	939
Total student enrollment	13,561	15,043	16,136	17,489	17,224	16,781	15,790	14,834	12,763	12,076
Historic County of Residence										
Berkeley	3,742	3,970	4,401	4,702	4,471	4,332	4,027	3,824	3,283	3,101
Charleston	5,696	6,431	6,835	7,585	7,704	7,549	7,214	6,859	6,075	5,910
Dorchester	3,130	3,458	3,685	3,872	3,720	3,642	3,388	3,110	2,625	2,429
Other South Carolina	704	839	865	917	929	896	819	712	684	495
Out-of-State	289	345	350	413	400	362	342	329	96	141
Total student enrollment	13,561	15,043	16,136	17,489	17,224	16,781	15,790	14,834	12,763	12,076

Source: Trident Technical College Fact Books for years presented

**Schedule of Capital Asset Information by Function
Last Ten Years**

	Fall 2016	Fall 2015	Fall 2014	Fall 2013	Fall 2012	Fall 2011	Fall 2010	Fall 2009	Fall 2008	Fall 2007
Assignable Area (Square Footage) by Function Use										
Instruction	472,213	460,621	459,095	448,327	417,754	427,733	394,507	402,071	401,650	396,259
Public Service	202	202	202	202	202	202	202	202	202	202
Academic Support	62,531	55,645	55,645	55,645	55,821	51,483	54,188	55,254	54,968	56,471
Student Services	23,702	23,457	21,244	21,244	21,348	22,698	22,698	22,698	22,351	22,321
Institutional Support	40,358	38,625	38,625	38,625	38,621	36,844	37,060	31,735	31,735	31,735
Plant Operations and Maintenance	6,369	6,369	6,369	6,369	6,369	5,917	6,370	6,229	6,229	33,065
Auxiliary Enterprises	20,174	20,174	20,174	20,174	20,174	19,363	19,363	19,363	19,363	19,363

Source: South Carolina Commission on Higher Education, Assignable Area by Function Use Codes-Summary

**Schedule of Demographic and Economic Statistics
Last Ten Calendar Years**

	<u>Population in College's Service Area^a</u>			<u>Personal Income (thousands of dollars)^c</u>			<u>Per Capita Personal Income (dollars)^c</u>			<u>Unemployment Rate^d</u>		
	Berkeley	Charleston	Dorchester	Berkeley	Charleston	Dorchester	Berkeley	Charleston	Dorchester	Berkeley	Charleston	Dorchester
2016	210,899	396,488	153,774	b	b	b	b	b	b	4.40%	3.90%	4.40%
2015	202,786	389,262	152,478	\$ 7,033,429	\$ 18,789,301	\$ 7,751,676	\$ 34,684	\$ 50,838	\$ 35,966	5.50%	4.80%	5.40%
2014	198,205	381,015	148,469	\$ 6,899,507	\$ 18,228,802	\$ 4,929,019	\$ 34,810	\$ 47,843	\$ 33,199	6.00%	5.10%	5.80%
2013	194,020	372,803	145,397	\$ 6,686,301	\$ 17,404,830	\$ 5,076,289	\$ 34,462	\$ 46,686	\$ 34,913	6.60%	6.00%	6.40%
2012	189,781	365,162	142,496	\$ 6,597,237	\$ 15,936,532	\$ 4,976,080	\$ 34,762	\$ 43,642	\$ 34,921	8.00%	7.30%	7.30%
2011	183,525	357,704	140,892	\$ 6,090,127	\$ 14,900,450	\$ 4,715,390	\$ 33,184	\$ 41,656	\$ 140,892	9.10%	8.30%	8.10%
2010	178,765	351,336	137,612	\$ 5,697,263	\$ 14,079,924	\$ 4,340,997	\$ 31,870	\$ 40,075	\$ 31,545	10.00%	9.10%	9.30%
2009	173,498	355,276	130,417	\$ 5,304,081	\$ 14,046,187	\$ 3,947,048	\$ 30,571	\$ 39,536	\$ 30,265	10.70%	9.10%	10.20%
2008	169,327	348,046	127,133	\$ 5,163,763	\$ 13,844,611	\$ 3,932,706	\$ 30,449	\$ 39,581	\$ 30,765	6.20%	5.30%	5.70%
2007	163,622	342,973	123,505	\$ 4,718,207	\$ 13,295,048	\$ 3,588,703	\$ 28,848	\$ 38,702	\$ 29,092	4.90%	4.50%	4.50%

Sources:

^a Charleston Regional Development Alliance; U. S. Census Bureau, Population Division

^b Data has not yet been published

^c U.S. Department of Commerce, Bureau of Economic Analysis

^d Bureau of Labor Statistics, County Average Employment Data Tables

Trident Technical College
Comprehensive Annual Financial Report

**Ten Largest Employers
Last Completed Calendar Year and Nine Years Prior
(Listed Alphabetically)**

	2016 County Charleston	
Berkeley		Dorchester
BENEFITFOCUS COM INC	BOEING SOUTH CAROLINA	BAE SYSTEMS EI&S
BERKELEY COUNTY GOVERNMENT	CHARLESTON COUNTY SCHOOL DISTRICT	COASTAL CENTER (SC DEPT OF DISABILITIES & SPECIAL NEEDS)
BERKELEY COUNTY SCHOOL DISTRICT	COLLEGE OF CHARLESTON	DORCHESTER COUNTY GOVERNMENT
BLACKBAUD INC	JOINT BASE CHARLESTON-AIR BASE (DEPT OF DEFENSE)	DORCHESTER SCHOOL DISTRICT #2
JOINT BASE CHARLESTON-WEAPONS STATION (DEPT OF DEFENSE)	MEDICAL UNIVERSITY OF SC	DORCHESTER SCHOOL DISTRICT #4
NUCOR CORPORATION	ROPER ST FRANCIS HEALTHCARE	IHG (INTERCONTINENTAL HOTELS GROUP)
SANTEE COOPER SC PUBLIC SERVICE AUTHORITY	THE BOEING COMPANY	IQOR
SPAWAR SYSTEMS CENTER ATLANTIC	TRIDENT MEDICAL CENTER LLC	KEY WEST BOATS, INC
T MOBILE USA INC	US POSTAL SERVICE	ROBERT BOSCH CORPORATION
VOLVO CAR CORP	WAL-MART ASSOCIATES INC	SHOWA DENKO CARBN INC
	2007 County Charleston	
Berkeley		Dorchester
ALUMAX OF SOUTH CAROLINA INC	CAREALLIANCE HEALTH SERVICES	DORCHESTER COUNTY GOVERNMENT
BERKELEY COUNTY GOVERNMENT	CHARLESTON COUNTY GOVERNMENT	DORCHESTER COUNTY SCHOOLS-DISTRICT TWO
BERKELEY COUNTY SCHOOLS	CHARLESTON COUNTY SCHOOL DISTRICT	DORCHESTER COUNTY SCHOOLS-DISTRICT FOUR
CR BARD INC	CITY OF CHARLESTON	LINQ INDUSTRIAL FABRICS INC
CATERPILLAR INC	COLLEGE OF CHARLESTON	ROBERT BOSH CORPORATION
DYNACORP INTERNATIONAL LLC	DEPARTMENT OF DEFENSE	SOUTH CAROLINA DEPARTMENT OF CORRECTIONS
NUCOR CORPORATION	MEDICAL UNIVERSITY OF SOUTH CAROLINA	SC DEPARTMENT OF DISABILITIES & SPECIAL NEEDS
PIGGLY WIGGLY RETAIL STORES INC	MEDICAL UNIVERSITY OF SOUTH CAROLINA HOSPITAL	ST. GEORGE HEALTH CARE CENTER
SANTEE COOPER-SC PUBLIC SERVICE AUTHORITY	TRIDENT REGIONAL MEDICAL CENTER	TOWN OF SUMMERVILLE
TRITON PCS OPERATING COMPANY LLC	WAL-MART ASSOCIATES INC	WAL-MART ASSOCIATES INC

Notes:Due to confidentiality issues, the number of employees for each company is not available. The employers are listed alphabetically rather than in order of size.

Source: Charleston Regional Development Alliance
Comprehensive Annual Financial Report, June 30, 2007 (South Carolina Employment Security Commission)

FEDERAL COMPLIANCE SECTION



**Independent Auditor's Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements
Performed in Accordance With *Government Auditing Standards***

Members of the Area Commission
Trident Technical College
Charleston, South Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities as of and for the years ended June 30, 2017 and 2016, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated September 29, 2017. Our report includes a reference to the financial statements of the Trident Technical College Foundation, Inc., the only discretely presented component unit of Trident Technical College, audited by us, as described in our report on the College's financial statements for the year ended June 30, 2017 and 2016. The financial statements of the Trident Technical College Foundation (the "Foundation") were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the College's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, we do not express an opinion on the effectiveness of the College's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Elliott Davis Decosimo | www.elliottdavis.com

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the College's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Elliott Davis Decosimo, LLC". The signature is written in a cursive, flowing style.

Charleston, South Carolina
September 29, 2017



**Independent Auditor's Report on Compliance for Each Major
Federal Program and Report on Internal Control Over Compliance Required by the *Uniform Guidance***

Members of the Area Commission
Trident Technical College
Charleston, South Carolina

Report on Compliance for Each Major Federal Program

We have audited Trident Technical College's (the "College") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the College's major federal programs for the year ended June 30, 2017. The College's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the College's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the College's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the College's compliance.

Opinion on Each Major Federal Program

In our opinion, the College complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

Elliott Davis Decosimo | www.elliottdavis.com

Other Matters

The results of our auditing procedures did not disclose instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs. Our opinion on each major federal program is not modified with respect to these matters.

Report on Internal Control Over Compliance

Management of the College is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the College's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the College's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Charleston, South Carolina
September 29, 2017

Trident Technical College
Comprehensive Annual Financial Report

**Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2017**

Page 1 of 2

Federal Grantor/Program Title/Grant Title	CFDA Number	Grant Year	Grant/Contract Number	Expenditures
<u>U. S. DEPARTMENT OF EDUCATION</u>				
DIRECT PROGRAMS				
STUDENT FINANCIAL ASSISTANCE CLUSTER				
Federal Supplemental Educational Opportunity Grants (FSEOG)	84.007	2015-16	P007A153811	\$ 1,292
Federal Supplemental Educational Opportunity Grants (FSEOG)	84.007	2016-17	P007A163811	518,248
Program Total				<u>519,540</u>
Federal Work-Study Program (FWS)	84.033	2015-16	P033A153811	(5,753)
Federal Work-Study Program (FWS)	84.033	2016-17	P033A163811	513,264
Program Total				<u>507,511</u>
Federal Pell Grant Program (Pell)	84.063	2004-05	P063P040483	(768)
Federal Pell Grant Program (Pell)	84.063	2013-14	P063P130483	(762)
Federal Pell Grant Program (Pell)	84.063	2014-15	P063P140483	(7,713)
Federal Pell Grant Program (Pell)	84.063	2015-16	P063P150483	243,476
Federal Pell Grant Program (Pell)	84.063	2016-17	P063P160483	21,237,101
Program Total				<u>21,471,334</u>
Federal Direct Student Loans	84.268	2013-14	P268K140483	(1,979)
Federal Direct Student Loans	84.268	2014-15	P268K150483	(11,805)
Federal Direct Student Loans	84.268	2015-16	P268K160483	1,639,188
Federal Direct Student Loans	84.268	2016-17	P268K170483	23,485,016
Program Total				<u>25,110,420</u>
TOTAL STUDENT FINANCIAL ASSISTANCE CLUSTER				<u>47,608,805</u>
TRIO CLUSTER				
TRIO--Student Support Services	84.042	2015-16	P042A150208	55,874
TRIO--Student Support Services	84.042	2016-17	P042A150208	259,115
Program Total				<u>314,989</u>
TRIO--Upward Bound Math & Science	84.047	2015-16	P047M120221	76,633
TRIO--Upward Bound Math & Science	84.047	2016-17	P047M120221	176,424
Program Total				<u>253,057</u>
TRIO--Talent Search	84.044	2015-16	P044A110038	77,408
TRIO--Talent Search	84.044	2016-17	P044A110038	319,045
Program Total				<u>396,453</u>
TRIO--Educational Opportunity Centers	84.066	2015-16	P066A110005	122,522
TRIO--Educational Opportunity Centers	84.066	2016-17	P066A110005	459,997
Program Total				<u>582,519</u>
TRIO--Veteran's Upward Bound	84.047	2015-16	P047V120039	48,719
TRIO--Veteran's Upward Bound	84.047	2016-17	P047V120039	201,963
Program Total				<u>250,682</u>
TOTAL TRIO CLUSTER				<u>1,797,700</u>
TOTAL DIRECT PROGRAMS				<u>49,406,505</u>

Trident Technical College
Comprehensive Annual Financial Report

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2017

Page 2 of 2

Federal Grantor/Program Title/Grant Title	CFDA Number	Grant Year	Grant/Contract Number	Expenditures
VOCATIONAL EDUCATION CLUSTER				
Passed through South Carolina Department of Education Perkins Career & Technical Education Act of 2006 (Perkins IV) Career & Technical Education- Basic Grants to States	84.048	2016-17	16VA402	\$ 739,269
Passed through South Carolina Department of Education Perkins Career & Technical Education Act of 2006 (Perkins IV) Career & Technical Education- Basic Grants to States: 17 CATE Federal Carryover Grant	84.048	2016-17	15VA402	6,393
Passed through Greenville Technical College Teacher Education Assistance for College & Higher Education Grant (TEACH)	84.379	2016-17	None	7,586
TOTAL VOCATIONAL EDUCATION CLUSTER				753,248
RESEARCH AND DEVELOPMENT				
Higher Education Act of 1965, Title III, Part A & Part F Trident Tech Pathways: Navigating a Course to Completion	84.031	2016-17	P031A160010	90,823
TOTAL U. S. DEPARTMENT OF EDUCATION				50,250,576
U.S. DEPARTMENT OF COMMERCE				
Public Works and Economic Development Act of 1965 (EDA), Aeronautical Training Center	11.300	2016-17	04-01-07036	329,721
TOTAL U.S. DEPARTMENT OF COMMERCE				329,721
U. S. DEPARTMENT OF LABOR				
Passed through Greenville Technical College Trade Adjustment Assistance Community College and Career Training Grants Program (ARRA)	17.282	2016-17	TC-23765-12-60-A-45	42,975
Passed through S.C. Technical College System American Competitiveness & Workforce Improvement Act of 1998, Apprenticeship Carolina South Carolina Apprenticeship Initiative (SCAI)	17.268	2016-17	AP-27836-15-60-A-45	29,467
TOTAL U. S. DEPARTMENT OF LABOR				72,442
NATIONAL SCIENCE FOUNDATION				
Passed through Daytona State College Southeastern Advanced Cybersecurity Education Consortium (ACE) Project	47.076	2016-17	DUE-1204800	35,102
Passed through Learning Opportunities for Undergraduates in Developing Technologies CLOUDTech	47.076	2016-17	1601166	143,305
TOTAL NATIONAL SCIENCE FOUNDATION				178,407
TOTAL FEDERAL AWARDS				\$ 50,831,146

In addition, the college disbursed \$546,859 during the year from approved lenders under the Federal Family Education Loan Program (FFEL).

Trident Technical College

Notes to the Schedule of Expenditures of Federal Awards

For the year ended June 30, 2017

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal grant activity of the Trident Technical College and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 2. Summary of Significant Accounting Policies for Federal Awards

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and OMB Circular A-122, *Cost Principles for Non-profit Organizations*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available. Expenditures for student financial aid programs include the federal share of student's Federal Supplemental Educational Opportunity Grant program grants and Federal Work Study program earnings, certain other federal financial aid for students and administrative cost allowances, where applicable.

Expenditures for nonfinancial aid awards include indirect costs, related primarily to facilities operation and maintenance and general, divisional and departmental administrative services, which are allocated to direct cost objectives (including federal awards) based on negotiated formulas commonly referred to as facilities and administrative cost rates. Facilities and administrative costs allocated to such awards for the year ended June 30, 2017, were based on predetermined fixed rates negotiated with the College's cognizant federal agency.

Note 3. Contingencies

The Trident Technical College receives funds under various federal grant programs and such awards are to be expended in accordance with the provisions of the various grants. Compliance with the grants is subject to audit by various government agencies which may impose sanctions in the event of non-compliance. Management believes that they have complied with all aspects of the various grant provisions and the results of adjustments, if any, relating to such audits would not have any material financial impact.

Trident Technical College

Schedule of Findings and Questioned Costs

For the year ended June 30, 2017

Section I. Summary of Auditor's ResultsFinancial Statements

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

- Material weakness identified? _____ yes X no
- Significant deficiency identified that is not
considered to be a material weakness _____ yes X none reported

Noncompliance material to financial statements noted

_____ yes X noFederal Awards

Internal control over major federal programs:

- Material weakness identified? _____ yes X no
- Significant deficiency identified that is not
considered to be a material weakness _____ yes X none reported

Type of auditor's report issued on compliance for major federal programs:

Unmodified

Any audit findings disclosed that are required to be
reported in accordance with 2 CFR Section
200.516(a)_____ yes X no

Identification of major federal programs:

CFDA NumbersName of Federal Program or Cluster84.007; 84.033;
84.063; 84.268

Student Financial Aid Cluster

11.300

Public Works and Economic Development Act of 1965

Dollar threshold used for distinguishing between type A and B
programs:

\$750,000

Auditee qualified as low-risk auditee?

Yes

Trident Technical College
Comprehensive Annual Financial Report

Trident Technical College

Schedule of Findings and Questioned Costs

For the year ended June 30, 2017

Section II. Financial Statement Findings

None reported

Section III. Federal Award Findings and Questioned Costs

None reported

Trident Technical College

Summary Schedule of Prior Audit Findings

For the year ended June 30, 2017

In accordance with Government Auditing Standards, issued by the Comptroller General of the United States, the following is the status of known material findings and recommendations from prior year audits:

Finding 2016-001 – Bank reconciliations

Condition: When performing the bank reconciliation for the operating bank account, management was unable to reconcile a total of \$158,344 in reconciling items as of June 30, 2016. The total of the \$158,344 in cash was properly recognized in the cash account as of June 30, 2016. In order for management to reconcile the operating cash account for the identified funds, an entry was recorded to offset accounts receivable.

Current Action Taken/Current Status: The College hired a highly competent and trained accountant in June 2016 who is responsible for the monthly bank reconciliation. The accountant investigated the unreconciled difference during fiscal year 2017 and has identified all but an insignificant amount of the difference as of June 30, 2017. The unreconciled difference is not significant to the financial statements and the Director will continue to monitor the balance through monthly reviews of the bank reconciliations.

This Comprehensive Annual Financial Report is also available on
Trident Technical College's website located at:
<http://www.tridenttech.edu/about/departments/finance/index.htm>

Prepared by:

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